2003-2004

Expenditure Budget

Volume III

Annual Expenditure Management Plans of the Departments and Agencies

Québec

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2003-2004

Expenditure Budget

Volume III

Annual Expenditure Management Plans of the Departments and Agencies

for the fiscal year
ending March 31, 2004

Tabled in the National Assembly
as required by section 46
of the Public Administration Act (R.S.Q., c. A-6.01)
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and Minister responsible for Government Administration

Conseil du trésor
Québec

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FOREWORD

A 2003-2004 Expenditure Budget and the related Annual Expenditure Management Plans were tabled in the National Assembly on March 11, 2003. The appropriation required for this budget were not voted, since the National Assembly was dissolved the next day. This 2003-2004 Expenditure Budget is being tabled in the National Assembly following the election of April 14, 2003.

INFORMATION ON THE 2003-2004 EXPENDITURE BUDGET

This Volume consolidates the Annual Expenditure Management Plans of the Departments and Agencies in abridged form. A summary of the expenditure budget by portfolio appears at the beginning of this volume.

Three other volumes comprise the information on the 2003-2004 Expenditure Budget:

Volume I: *Estimates and Annual Expenditure Management Plans of the National Assembly and Persons Appointed by the National Assembly*

This Volume contains information on the National Assembly and Persons Appointed by the National Assembly, i.e. the Public Protector, the Auditor General, the Director General of Elections and the Lobbyists Commissioner.

Volume II: *Estimates of the Departments and Agencies*

This Volume presents the appropriations required by the government for the 2003-2004 fiscal year. It distinguishes between the expenditure budget and the capital budget. Appropriations are broken down by portfolio and program.

Volume IV : *Message from the Chair of the Conseil du trésor and Additional Information*

This Volume begins with a message from the Chair of the Conseil du trésor that presents the highlights of the forthcoming expenditure budget. The chapters that follow provide further information on the expenditure budget and other information on related topics.

PREFACE

The *Public Administration Act* (R.S.Q., c. A-6.01) institutes a results-based management framework. This approach particularly depends on the principles of transparency and accountability of the public administration to the National Assembly. The Act also provides for an integrated set of documents to be made public: the Service Statement, the Strategic Plan, the Annual Expenditure Management Plan and the Annual Management Report, all in a perspective of accountability to the legislature.

Volume III of the Expenditure Budget contains the annual expenditure management plans for each portfolio assigned to a minister, meaning the department and budget agencies under his or her responsibility. Even though the tabling of Volume III of the Expenditure Budget in the National Assembly is incumbent on the Chair of the Conseil du trésor, the responsibility for preparation and implementation of the plans rests with each minister responsible for a portfolio.

At the beginning of Volume III, a summary table presents the expenditures for all portfolios for the 2002-2003 and 2003-2004 fiscal years. The budget plan of each portfolio explains the changes in the budget and the significant variations as follows:

— The expenditure budget by program presents the 2003-2004 budget compared to the 2002-2003 budget, the variation between these two fiscal years, the probable expenditure for 2002-2003 and staff levels.

— The 2003-2004 capital budget is compared with the one for the 2002-2003 fiscal year and includes the "Fixed Assets" and "Loans, Investments and Advances" supercategories.

— Special funds are presented separately, providing for 2002-2003 and 2003-2004 the forecast revenue and expenditures, the forecast surplus or deficit, the investment and, if applicable, the fund's staff levels.

Information regarding the National Assembly and Persons Appointed by the National Assembly can be found in Volume I of the Expenditure Budget.

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Summary of expenditures

SUMMARY OF EXPENDITURES

The Summary of Expenditures summarizes the budget information presented in the 2003-2004 Annual Expenditure Management Plans. The annual plans of the National Assembly and all of the government's departmental portfolios can be found respectively in Volumes I and III of the Expenditure Budget.

The following table compares the expenditure budgets of each portfolio for the fiscal years 2003-2004 and 2002-2003 and shows the changes between them. This table also shows the 2002-2003 probable expenditure and the percentage change between that probable expenditure and the 2003-2004 budget.

Summary of Expenditures[1]

	2003-2004		2002-2003		Expenditure 2003-2004
	Expenditure Budget	Variation	Expenditure Budget	Probable Expenditure[2]	Probable Expenditure 2002-2003
	(1) ($000)	(2) = (1) - (3) ($000)	(3) ($000)	(4) ($000)	(5) (%)
National Assembly[3]	91,634.0	(15.6)	91,649.6	91,649.6	-
Persons Appointed by the National Assembly[3]	102,037.9	36,320.5	65,717.4	63,556.1	60.5 [4]
Affaires municipales, Sport et Loisir	1,580,842.8	42,187.3	1,538,655.5	1,587,572.3	(0.4)
Agriculture, Pêcheries et Alimentation	632,789.4	(11,215.2)	644,004.6	641,191.4	(1.3)
Conseil du trésor et Administration gouvernementale	655,416.2	177,812.4	477,603.8	450,185.9	2.2 [5]
Conseil exécutif	202,300.2	47,978.1	154,322.1	115,363.2	(8.0) [6]
Culture et Communications	497,934.7	4,010.3	493,924.4	491,735.0	1.3
Développement économique et régional	848,117.7	(273,461.2)	1,121,578.9	1,064,642.9	(20.3) [7]
Éducation	11,485,290.4	290,276.1	11,195,014.3	11,087,816.5	3.6
Emploi, Solidarité sociale et Famille	5,845,514.2	(132,925.9)	5,978,440.1	5,951,900.1	(1.8)
Environnement	179,149.9	1,694.1	177,455.8	177,306.7	1.0
Finances[8]	215,679.5	4,302.4	211,377.1	146,667.4	0.9 [9]
Justice	549,668.7	33,093.6	516,575.1	541,862.1	1.4
Relations avec les citoyens et Immigration	205,873.4	(8,853.4)	214,726.8	246,290.6	(16.4) [10]
Relations internationales	108,522.4	(465.2)	108,987.6	110,476.6	(1.8)
Ressources naturelles, Faune et Parcs	462,699.1	(15,360.7)	478,059.8	506,651.8	(8.7)
Revenu	630,222.9	(28,663.5)	658,886.4	655,230.9	(3.8)
Santé et Services sociaux	19,115,068.1	1,309,037.5	17,806,030.6	17,827,696.2	7.2
Sécurité publique	832,221.4	37,250.4	794,971.0	871,437.0	(4.5)
Transports	1,495,763.5	66,575.5	1,429,188.0	1,427,003.9	4.8
Travail	63,253.6	621.9	62,631.7	69,763.8	(9.3)
Other variations[11]		93,800.6	(93,800.6)		
PROGRAM SPENDING	45,800,000.0	1,674,000.0	44,126,000.0	44,126,000.0	3.8
DEBT SERVICE	6,862,000.0	326,000.0	6,536,000.0	6,536,000.0	5.0
TOTAL EXPENDITURE	52,662,000.0	2,000,000.0	50,662,000.0	50,662,000.0	3.9

Summary of expenditures - References

[1] The figures solely concern the expenditure budget and therefore, do not include consolidated agencies and special funds. They also exclude the "Fixed Assets" and "Loans, Investments and Advances" supercategories included in the capital budget appearing in Volume II of the 2003-2004 Expenditure Budget.

[2] The 2002-2003 probable expenditure has been adjusted to show it on the same basis as the 2003-2004 Expenditure Budget.

[3] Information on appropriations, expenditures and annual expenditure management plans of the National Assembly and persons appointed by the latter is referenced in Volume I.

[4] In the "Persons Appointed by the National Assembly" portfolio, the increase in relation to the probable expenditure results primarily from the fact that the 2003-2004 expenditure budget of the "Administration of the Electoral System" program includes $46.0 million for the holding of general elections.

[5] In the "Conseil du trésor et Administration gouvernementale" portfolio, the percentage variation has been calculated by excluding the "Contingency Fund" program from the 2003-2004 expenditure budget, given that it consists of appropriations that can be allocated to other portfolios during the course of the fiscal year.

[6] In the "Conseil exécutif" portfolio, the percentage variation has been calculated by excluding from the 2003-2004 expenditure budget the provision for the realization of government communications projects and the "Native Affairs" program. Including the expenditure of this program, which passed from $51.6 million in 2002-2003 to $106.7 million in 2003-2004, the rate of increase would be 43.3%.

[7] In the "Développement économique et régional" portfolio, the percentage variation has been calculated by including into the 2003-2004 expenditure budget the provision for realizing investment projects within the framework of the Private Investment and Job Creation Promotion Fund (FAIRE) program inasmuch as most transfers take place within the portfolio.

[8] For the purposes of this table, the government debt service is excluded from the expenditures of the "Finances" portfolio. In Volume II of the 2003-2004 Expenditure Budget and in the annual expenditure management plans of the departments and agencies, the expenditures of the "Finances" portfolio incorporate the debt service.

[9] In the "Finances" portfolio, the percentage variation has been calculated by excluding from the 2003-2004 expenditure budget the provision for initiatives concerning revenues.

[10] In the "Relations avec les citoyens et Immigration" portfolio, the decrease in probable expenditure is mainly due to the end of the "National Reconciliation Program with the Duplessis Orphans". If this item were excluded, the decrease would be 7.8%.

[11] Other variations notably include unexpended appropriations of $102.7 million as well as the correction of $8.9 million for the family policy in order to present the 2002-2003 Expenditure Budget on the same basis as the 2003-2004 Expenditure Budget.

Portfolios

AFFAIRES MUNICIPALES, SPORT ET LOISIR

BUDGET PLAN

The budget plan for the 2003-2004 fiscal year reflects the choices made, particularly regarding the planned actions for the next fiscal year, with the aim of fostering the achievement of the various objectives presented in the strategic plans throughout the portfolio.

The 2003-2004 expenditure budget shows a net growth of $42.2 million. This growth is primarily explained by the budget base adjustment for the Société d'habitation du Québec. Moreover, it takes into account adjustments made to the development of sports excellence and amounts allocated to comply with the commitments of the Financial and Fiscal Pact made with the municipalities. These measures are combined with a reduction of the Department's debt service.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Greater Montréal Promotion and Development	62,235.9	(4,177.9)	66,413.8	73,474.1
2. Upgrading Infrastructure and Urban Renewal	577,953.8	(30,372.5)	608,326.3	573,045.5
3. Compensation in lieu of Taxes and Financial Assistance to Municipalities	503,122.9	24,957.2	478,165.7	555,477.1
4. General Administration	46,277.7	(468.7)	46,746.4	45,246.5
5. Commission municipale du Québec	3,389.5	257.0	3,132.5	3,279.7
6. Housing	298,651.6	44,195.8	254,455.8	254,506.9
7. Régie du logement	14,635.0	702.2	13,932.8	14,885.0
8. Development of Sport and Recreation	74,576.4	7,094.2	67,482.2	67,657.5
Total	1,580,842.8	42,187.3	1,538,655.5	1,587,572.3
Staff level (FTEs) (excluding special funds)	852	—	852	—

Program 1: Greater Montréal Promotion and Development

The purpose of this program is to encourage and support the economic, cultural and social growth of greater Montréal with the aim of promoting its progress, vitality and influence. It also provides financial support for initiatives intended to develop and promote greater Montréal while serving as a catalyst and rallying point to promote its interests. It facilitates concerted action by many metropolitan partners in both

the private and public sectors, notably concerning land use planning, oversees the consistency of government actions in the territory and assumes responsibility for the government policy to support local and regional development for the administrative regions of Montréal and Laval.

The budget envelope for this program is reduced by $4.2 million, essentially due to the reductions made to the integrated envelope of the regional development councils and the local development centres (LDC), combined with the one-year moratorium on the renewal of the LDC local investment funds. This moratorium cancels out the need concerning the provision for bad debts on the loans granted.

Program 2 : Upgrading Infrastructure and Urban Renewal

This program ensures the Government's financial participation to facilitate construction of the aqueduct and sewer systems and municipal sewage treatment in every region of Québec. It also provides financial support for rehabilitation of infrastructures in municipalities, metropolitan communities and northern communities, particularly through the infrastructure programs and the Urban Renewal and Town Improvement programs.

The expenditure budget for this program shows a net reduction of $30.4 million due to the revision of the Department's debt service, notably required to repay the loans contracted under the Québec Water Purification Program. However, the breakdown considers the reallocations made necessary for the needs of the Québec-Municipalities and Urban Renewal and Town Improvement programs, which particularly allow the performance of infrastructure work to supply drinking water and contribute to the renewal of Québec municipalities. The main budget reallocations are presented as follows:

	$M
— Urban Renewal and Town Improvement Program	6.0
— Québec-Municipalities Infrastructures Program	3.0
— Canada-Québec Infrastructure Works Program 2000	1.8
— Les eaux vives du Québec	1.0
— Adjustment to the other water purification, aqueduct and sewer system and infrastructure programs	0.2
— Québec Water Purification Program	(42.4)

Program 3: Compensation in lieu of Taxes and Financial Assistance to Municipalities

The purpose of this program is to provide municipalities with compensation in lieu of taxes on properties owned by the Government, the health and social services and education networks, and foreign governments. It also has the purpose of encouraging municipal mergers in all regions of Québec. The program provides financial assistance to municipalities, northern villages and the Kativik Regional Government. It covers support to regional county municipalities, particularly for land use planning. It also includes the financial measures of the Fiscal Pact included in the agreement made with the municipalities.

This program shows a net increase of $25.0 million, essentially tied, on the one hand, to the injection of the funds forecast in the Financial and Fiscal Pact made with the municipalities, and on the other hand, to the impact of the reduction of incentives for municipal reorganization. The main differences break down as follows:

	$M
— Net adjustment tied to the financial measures of the Fiscal Pact	30.6
— Additional financial assistance to the operation of northern villages and the Kativik Regional Government	1.2
— Reduction of the regular budgets of the Municipal Merger Financial Assistance Program pertaining to the Policy on Consolidation of Local Communities	(4.7)
— Non-recurrence of ad hoc subsidies to municipalities	(2.1)

Program 4: General Administration

This program encompasses the Department's management and the units responsible for planning, management and coordination of the resources needed to manage the Department's various programs and develop its policies. It also allows the Department to ensure representation in the various regions of Québec for implementation of departmental and government orientations and policies regarding the municipalities. The expenditure budget for 2003-2004 shows a decrease of $0.5 million attributable to tightening of the Department's operating budget.

Program 5: Commission municipale du Québec

This program allows action with municipalities in matters of territorial organization, technical regulation, investigation, trusteeship, adjudication and recognition for tax exemption purposes. The $0.3 million increase in the Commission's budget is essentially related to the adjustments necessary for remuneration of personnel.

Program 6: Housing

The purpose of this program is to facilitate access for Quebecers to adequate housing conditions, in view of their financial situation, the diversity of their needs and the economic and sociodemographic context, promote improvement of general housing conditions in Québec and foster the development and recognition of Québec know-how in housing. The program includes the subsidies payable to the Société d'habitation du Québec (SHQ) and Immobilière SHQ. Moreover, these agencies benefit from other funds at their disposal to finance their activities.

The expenditure budget for this program is increased by $44.2 million over the 2002-2003 fiscal year. This difference is essentially the result of an adjustment of the budget envelope granted to the Société d'habitation du Québec. In previous fiscal years, this envelope had been reduced after taking into account the carried-over contributions from the Government of Québec that the Société had at its disposal to fund its activities. This increase also includes an amount of $5.7 million for emergency measures to assist homeless households in the context of the housing shortage.

Program 7: Régie du logement

Under this program, the Régie du logement has resources to decide the disputes submitted to it by a party to a residential lease, to inform the public about the rights and obligations arising from a lease, and to promote conciliation between tenants and landlords. It also ensures preservation of the housing stock in certain circumstances and in such cases, protects the tenants' rights. The budget allocated to the Régie du logement is increased by $0.7 million to account for the adjustments made to remuneration and rental expenditures.

Program 8: Development of Sport and Recreation

The purpose of this program is to promote and foster recreational and sports activities through support to agencies in the field and specific clienteles. It also has the objective of supporting volunteer action while paying special attention to safety in the practice of recreational and sports activities. The expenditure budget for this program is increased by $7.1 million, primarily explained by the amounts granted for the Équipe Québec Program and for support to volunteer action.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	7,191.3	7,758.9
Loans, Investments and Advances	—	4,763.2

The appropriations allocated to fixed assets essentially concern the municipal information highway and geomatics, as well as computer projects resulting from the financial measures outlined in the Fiscal Pact and the upgrading of systems attached to the infrastructure programs. The forecast capital expenditures for sports and recreation primarily concern the overhaul of the subsidy management system and the continuation of computer hardware upgrading. It should be noted that the $0.4 million capital project regarding the overhaul, forecast for 2002-2003, has been carried over to 2003-2004.

No appropriation is allocated to loans, investments and advances in 2003-2004 following the one-year moratorium on renewal of the local investment funds of the local development centres.

AGRICULTURE, PÊCHERIES ET ALIMENTATION

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Bio-food Company Development, Training and Food Quality	315,837.2	(10,848.5)	326,685.7	323,863.5
2. Government Agencies	316,952.2	(366.7)	317,318.9	317,327.9
Total	632,789.4	(11,215.2)	644,004.6	641,191.4
Staff level (FTEs) (excluding special funds)	2,183	—	2,183	—

The Department's expenditure budget for 2003-2004 will be $632.8 million, a $11.2 million decrease over the 2002-2003 fiscal year.

Program 1: Bio-Food Company Development, Training and Food Quality

The purpose of this program is to develop potential and improve technological performance related to the production, processing and preservation of agri-food products while respecting the environment. It also seeks to train competent people in agriculture.

The $10.8 million decrease in the expenditure budget is explained by a general reduction in the Department's transfer expenditures, while the appropriations allocated to support for commercial fisheries and aquaculture and the farm property tax refund and compensation program remain stable.

Moreover, discussions with the federal government concerning the Agriculture Policy Framework could improve the fiscal balance of the government and eventually permit a partial revision of the Department's budget plan.

Program 2: Government Agencies

The purpose of this program is to promote the profitability of agricultural operations by providing them with adequate financing, crop insurance and a guaranteed annual income for agricultural producers subject to certain terms and conditions. It also seeks to promote effective marketing of agricultural and food products and to preserve the vocation of arable land.

This program's appropriations mainly consist of a $305.0 million subsidy to the Financière agricole du Québec. This assistance is the result of an agreement made with that agency, under which the Minister of Agriculture, Fisheries and Food undertakes to pay, for and to the benefit of the Financière agricole du Québec, a total amount of $2,135.0 million over a seven-year period commencing in 2001-2002. These amounts constitute the "predetermined budget envelope" allocated to this agency by the Government of Québec.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	26,730.8	29,118.7
Loans, Investments and Advances	500.0	—

In 2003-2004, the Department will table a capital budget that will allow the modernization of its buildings and research facilities, in particular.

CONSEIL DU TRÉSOR ET ADMINISTRATION GOUVERNEMENTALE

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Secretariat of the Conseil du trésor	66,976.7	(4,152.6)	71,129.3	61,063.7
2. Government Operations	95,606.0	(16,934.8)	112,540.8	96,807.3
3. Commission de la fonction publique	2,794.0	15.3	2,778.7	2,598.2
4. Retirement and Insurance Plans	294,762.0	3,707.0	291,055.0	289,716.7
5. Contingency Fund	195,277.5	195,177.5	100.0	—
Total	655,416.2	177,812.4	477,603.8	450,185.9
Staff level (FTEs) (excluding special funds)	900	(8)	908	—

Note: The "Government Operations" and "Contingency Fund" programs include provisions that allow transfers to other government programs for which the probable expenditure is increased accordingly.

Program 1: Secretariat of the Conseil du trésor

This program consolidates the expenditures to establish general human resources management policies, ensure the normative and regulatory framework for government contracts, carry out the acquisition and disposal activities arising from the *Act respecting the Service des achats du gouvernement* (R.S.Q., c. S-4), ensure the implementation of the government information highway, determine the allocation of human, financial, material and information resources in accordance with the Government's priorities, and ensure that the government departments and agencies use them efficiently in carrying out their programs. It also includes the expenditures to provide various services to government departments and agencies.

From 2002-2003 to 2003-2004, the expenditure budget for this program is decreased by $4.2 million, to $67.0 million. This decrease is due to cost-cutting measures.

Program 2: Government Operations

This program encompasses appropriations pertaining to central functions related to the development of employability and recruiting, as well as the coordination of and support for resource management, especially human resources. Moreover, the program provides funds for reconstruction programs in the regions affected by the January 1998 ice storm and the July 1996 floods. Funds are also provided to support the realization of projects aimed at electronic service delivery and the information highway. Finally, this program includes the budget relating to government contributions in its role as employer and a provision to transfer between programs or portfolios any part of an appropriation associated with the agreed-upon exchange value at the time of transfer of an asset between departments and agencies.

The expenditure budget for this program totals $95.6 million in 2003-2004, a $16.9 million reduction from 2002-2003. This reduction is due to a $6.7 million decrease in expenditure for the Fund Relating to the Ice Storm and the Disaster Assistance Fund for Certain Areas as well as $10.2 million from various saving measures.

Program 3: Commission de la fonction publique

This program consolidates the expenditures of the Commission, which has the primary mandate to mediate the recourses exercised by public service personnel, ensuring the impartiality and fairness of the decisions affecting them, as well as compliance with the legislation and regulations relating to the recruitment and promotion processes. It also rules on applications for certification of means of evaluation, produces studies, advises and reports to the authorities, and advises the Conseil du trésor when the latter decides to exempt a job position or a category from the provisions of the *Public Service Act* (R.S.Q., c. F-3.1.1).

Program 4: Retirement and Insurance Plans

This program includes expenditures of $290.4 million for the retirement plans and $4.4 million for the group insurance plans of public service employees. The expenditures of the Teachers Pension Plan (TPP), the Pension Plan of Management Personnel (RRPE) and the Government and Public Employees Retirement Plan (RREGOP) for education and health and social services networks employees are accounted for in the budgets of the departments concerned. The expenditures of the Pension Plan of the Members of the National Assembly (RRMAN) are appropriated in the "National Assembly" portfolio.

The $3.7 million increase is primarily due to the salary increase granted upon extension of the collective agreements.

Program 5: Contingency Fund

The purpose of this program is to provide for additional expenditures that may arise in government programs. The total expenditures allocated to this program in 2003-2004 amount to $195.3 million.

It should be noted that the various transfers of appropriations during the last fiscal year have been subtracted from the amount forecast at the beginning of 2002-2003.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	13,618.0	5,118.0
Loans, Investments and Advances	300,100.0	244,310.2

The capital budget of the Secretariat of the Conseil du trésor primarily consists of a provision of $300,0 million for the "Loans, Investments and Advances" supercategory under Program 5 – Contingency Fund. The purpose of this provision is to fund the temporary cash requirements of government departments and agencies, on condition that the amounts thus added are repaid from their appropriations envelope before the end of the year. This provision therefore has no effect on the expenditure forecast. From 2002-2003 to 2003-2004, fixed assets increased by $8.5 million, or $4.5 million to the provision for the realization of e-Government projects and $4.0 million for various redevelopment work on Buildings H and J.

SPECIAL FUNDS

Information Technology Fund of the Conseil du trésor

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	2,451.1	1,873.1
Expenditure	2,451.1	1,873.1
Surplus (deficit)	0.0	0.0
Investment	6,117.9	3,770.3
Staff level (FTEs)	—	—

Forecast capital expenditures concern infrastructure maintenance for the network and development of information systems. The office automation assets of the Secretariat of the Conseil du trésor will be modernized, the infrastructure management tools will be upgraded and new tools will be developed. Capital expenditures will be made to allow implementation of GIRES at the Secretariat of the Conseil du trésor. The fund's revenues are included in Program 1 (Allocation to a Special Fund) of the "Conseil du trésor et Administration gouvernementale " portfolio

Disaster Assistance Fund for Certain Areas

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	7,960.0	27,841.0
Expenditure	7,960.0	27,841.0
Surplus (deficit)	0.0	0.0
Investment	26,000.0	—
Staff level (FTEs)	—	—

This Fund is allocated to cover exceptional expenditures of a government department or agency following the flooding caused by the torrential rains of July 1996, mainly in the Saguenay-Lac-St-Jean region. The Fund is also allocated to the reconstruction and economic recovery program in these regions.

One of the objectives of establishing the Fund is to centralize all costs related to the disaster to facilitate the production, by the Ministère de la Sécurité publique, of requests for advances and claims to the Government of Canada for the portion of the costs the latter assumed under its assistance program. The federal program provides for reimbursement of up to 90% of eligible expenditures.

Regarding the forecast expenditures for 2003-2004, the Government of Canada's contribution is estimated at $2.7 million, while the other expenditures of $5.3 million are charged to the appropriations under Program 2 of the "Conseil du trésor et Administration gouvernementale" portfolio. These expenditures mainly represent the financial expenses charged to the Fund and those related to reconstruction of disaster areas. Moreover, the amount indicated for investment, or $26.0 million, concerns the draft design phase for development of infrastructures to regularize flood levels in the Lac Kénogami watershed and the related technical-economic and environmental studies.

From fiscal years 1996-1997 to 2002-2003, the expenditures charged to the Fund total $462.5 million. Of this total, an amount of $149.6 million represents the portion assumed by the Government of Québec and the difference, or $312.9 million, is assumed by the Government of Canada.

Fund Relating to the Ice Storm

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	25,800.0	33,178.0
Expenditure	25,800.0	33,178.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Staff level (FTEs)	—	—

The Fund Relating to the Ice Storm is used to gather information relating to this disaster, which occurred from January 5 to 9, 1998, more specifically affecting the Montérégie and Montréal regions. It also supports the production of requests for advances and claims for reimbursement by the Ministère de la Sécurité publique from the federal government for the portion of the costs the latter is assuming under its disaster assistance program, which provides for reimbursement of up to 90% of the eligible expenditures.

The expenditures reimbursable by the federal government are recorded separately in a defined-purpose account. This account accepts deposits of amounts received and receivable from the Government of Canada regarding the disaster.

For the Government of Québec, the budget allocation is taken in part from the Ministère des Ressources naturelles, Faune et Parcs, i.e. $20.8 million in 2003-2004 and $28.1 million in 2002-2003, which represents the Government of Québec commitment to pay annual compensation to Hydro-Québec, over a ten-year period, to restore the power network. The appropriations for other expenditures charged to the Fund, or $5.0 million for 2003-2004 and $5.9 million for 2002-2003, are covered by Program 2 of the Conseil du trésor et Administration gouvernementale portfolio. These expenditures mainly represent the financial expenses charged to the Fund and the assistance provided to the disaster victims.

From fiscal years 1997-1998 to 2002-2003, the expenditures charged to the Fund total $1,125.9 million. Of this total, an amount of $506.3 million represents the portion assumed by the Government of Québec and the difference, or $619.6 million, is assumed by the Government of Canada.

Fonds des services gouvernementaux

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	280,571.6	289,975.1
Expenditure	269,257.9	279,659.7
Surplus (deficit)	11,313.7	10,315.4
Investment	143,850.0	84,530.4
Staff level (FTEs)	973	1,012

The purpose of the Fonds des services gouvernementaux is to provide funding for certain goods and services offered to government departments and agencies. These goods and services include: information technology development and operation, telecommunications, mail pickup and delivery, copying, sale and distribution of office supplies and furniture, office automation equipment maintenance, air transportation necessary for government functions and, finally, support for resource management.

The Fund's revenue and expenditure forecasts amount to $280.6 million and $269.3 million in 2003-2004, representing respective decreases of $9.4 million (3.2%) and $10.4 million (3.7%) over the probable revenue and expenditure for the previous fiscal year. This decrease follows a decision to reduce expenditures and an anticipated decline in sales volumes.

The amounts indicated for investment mainly concern the GIRES project, the Service aérien gouvernemental and the information and telecommunications services sectors. The total investment related to the GIRES project amount to $94.3 million in 2003-2004 and $69.0 million in 2002-2003. Moreover, for the 2003-2004 fiscal year, a large share of the investment consists of $30.5 million for implementation of the Québec integrated radio communications network, ($2.4 million in 2002-2003), $5.0 million for various development projects related to the government technological infrastructure and common functions ($5.6 million in 2002-2003) and $7.9 million for the purchase of computer hardware. For the 2002-2003 fiscal year, $10.6 million is forecast for air transportation equipment.

CONSEIL EXÉCUTIF

BUDGET PLAN

The 2003-2004 expenditure budget of the ministère du Conseil exécutif totals $202.3 million, $48.0 million more than in fiscal 2002-2003.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Lieutenant-Governor's Office	878.5	(342.3)	1,220.8	1,144.9
2. Support Services for the Prime Minister and the Conseil exécutif	70,005.4	(2,724.5)	72,729.9	37,812.1
3. Canadian Intergovernmental Affairs	10,530.9	(791.1)	11,322.0	11,738.3
4. Native Affairs	106,677.6	48,147.8	58,529.8	51,629.6
5. Youth	12,545.2	3,607.2	8,938.0	9,435.8
6. Reform of Democratic Institutions	1,662.6	81.0	1,581.6	3,602.5
Total	202,300.2	47,978.1	154,322.1	115,363.2
Staff level (FTEs) (excluding special funds)	424	—	424	—

Note: The "Support Services for the Prime Minister and the Conseil exécutif" program includes a provision that allows transfers to other government programs for which the probable expenditure is increased accordingly.

Program 1: Lieutenant-Governor's Office

This program enables the Lieutenant-Governor to fulfill the administrative and representation duties associated with the position. It consists of one activity:

— Lieutenant-Governor's Office.

The 2003-2004 expenditure budget is $0.3 million lower than in 2002-2003, due to a decrease in the cost of rent.

Program 2: Support Services for the Prime Minister and the Conseil exécutif

The purpose of this program is to provide the Prime Minister, Cabinet, the Secrétaire général of the Conseil exécutif, as well as the Secrétariat aux priorités et aux projets stratégiques and the secretariats of standing departmental committees with advisory services as well as the administrative and logistical support necessary to perform their functions.

This program consists of the following activities:

— Office of the Prime Minister;

— Secrétariat général and Greffe du Conseil exécutif;

— Direction générale de l'administration;

— Executive compensation;

— Secrétariat à la communication gouvernementale;

— Provision to increase appropriations, with Conseil du trésor's approval, to carry out government communications projects.

The $2.7-million decrease in the 2003-2004 expenditure budget compared to 2002-2003 is due to a $1.9-million increase in the expenditures allocated for rent and a $4.6-million reduction in budget expenditures.

Program 3: Canadian Intergovernmental Affairs

This program aims to ensure coordination of the Québec government's relations with the federal government and the governments of other Canadian provinces and territories.

This program consists of the following activities:

— Office of the Minister for Canadian Intergovernmental Affairs and Native Affairs;

— Secrétariat aux affaires intergouvernementales canadiennes;

— Québec representation in Canada;

— Intergovernmental and Francophone cooperation.

The $0.8-million decrease in the 2003-2004 expenditure budget compared to 2002-2003 is essentially due to budget expenditure reductions.

Program 4: Native Affairs

This program fosters the establishment of conditions conducive to the development of harmonious relations with Aboriginal peoples, and implementation of the government orientations involving Aboriginal peoples. It consists of one activity:

— Secrétariat aux affaires autochtones.

The $48.1-million increase over 2002-2003 in the 2003-2004 expenditure budget is due primarily to new agreements with the Cree Nation.

Program 5: Youth

This program endeavours to ensure consistency in government policies related to youth and to coordinate the government activities associated with it. It consists of the following activities:

— Secrétariat à la jeunesse;

— Conseil permanent de la jeunesse.

The $3.6-million increase over 2002-2003 in the 2003-2004 expenditure budget stems from implementation of the 2002-2005 Youth Action Plan.

Program 6: Reform of Democratic Institutions

The purpose of this program is to make Parliament more representative and improve democratic life in Québec. This program consists of the following activities:

— Office of the Minister for Reform of Democratic Institutions;

— Secrétariat à la réforme des institutions démocratiques.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	847.6	854.8
Loans, Investments and Advances	106.5	106.5

The capital budget of the ministère du Conseil exécutif totals $1,0 million. This includes the estimated amount for purchasing computer equipment required for current operations, and to attain objectives and fulfill specific mandates.

SPECIAL FUNDS

Fonds Jeunesse Québec

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	14,900.0	41,600.0
Expenditure	14,900.0	27,700.0
Surplus (deficit)	0.0	13,900.0
Investment	-	-
Staff level (FTEs)	-	-

The Fonds Jeunesse Québec is dedicated to supporting initiatives aimed at the social, community, cultural and vocational integration of young Québecers.

The $26.7-million decline in revenue from 2002-2003 stems from the balance of contributions to be collected from corporations in 2003-2004.

CULTURE ET COMMUNICATIONS

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITUR ($000) (4)
1. Internal Management, National Institutions and Commission des biens culturels	74,405.9	(295.8)	74,701.7	74,189.0
2. Support for Culture, Communications and Government Corporations	400,764.0	5,417.6	395,346.4	393,123.8
3. Charter of the French Language	22,764.8	(1,111.5)	23,876.3	24,422.2
Total	497,934.7	4,010.3	493,924.4	491,735.0
Staff level (FTEs) (excluding special funds)	1,033	—	1,033	—

Note: The "Charter of the French Language" program includes a provision that allows transfers to other government programs for which the probable expenditure is increased accordingly.

The Department's 2003-2004 expenditures will total $497.9 million, or $4.0 million more than the previous year's budget. This increase is due, on the one hand to the additional appropriations granted to the Conseil des arts et des lettres du Québec and the Société de télédiffusion du Québec and, on the other hand, to program savings.

Program 1: Internal Management, National Institutions and Commission des biens culturels

This program's objectives and priorities are to develop an overview of cultural activities and communications in Québec; develop and manage policies, orientations and programs in the realm of culture and communications; foster the protection and enhancement of the archival heritage; ensure the restoration of cultural properties as well as expertise and awareness in this area; foster education in the performing arts; provide management support services; and, in addition, through the activities of the Commission des biens culturels, produce appraisals to foster the protection and enhancement of Québec's heritage.

The variance in expenditures is mainly explained by the decrease in operating expenditures.

Program 2: Support for Culture, Communications and Government Corporations

The objectives and priorities of this program are to provide support for culture and communications by funding various stakeholders and partners, organizations, institutions or businesses; promote and conserve Québec and world art, the history and components of society, and ensure Québec's presence in the international networks of museums; provide artists and promoters with major facilities for the performing arts; foster the development of cultural and communications businesses; ensure the recognition of artists' associations, and provide a framework for labour relations in the areas concerned; offer educational and cultural television programming; support, in all regions of Québec, artistic creation, development, experimentation and production and promote its visibility; ensure democratic access to culture and knowledge in cooperation with Québec libraries and documentary institutions.

The $5.4 million variance is largely explained by the appropriations allocated for Conseil des arts et des lettres du Québec assistance programs, the programming development at the Société de télédiffusion du Québec, and a variation in debt service.

Program 3: Charter of the French Language

The resources allocated to the Charter of the French Language Program are based on its objectives and priorities, namely to ensure the promotion and widespread use of quality French in every sector of activity, as well as the coordination and development of government language policies and activities.

The $1.1 million decrease is due mainly to the non-recurrence of certain one-time activities to promote the French language that took place in 2002-2003.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	4,603.0	4,609.5
Loans, Investments and Advances	1,500.0	1,500.0

The capital budget serves to continue the modernization of management support equipment and technological systems, as well as to purchase specialized equipment for the Archives nationales du Québec, the Centre de conservation du Québec and the Conservatoire de musique et d'art dramatique du Québec. It also includes $1.5 million in Loans, Investments and Advances to finance the activities of the Centre de documents semi-actifs of the Archives nationales du Québec.

DÉVELOPPEMENT ÉCONOMIQUE ET RÉGIONAL

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Department Administration	41,669.6	(3,115.4)	44,785.0	43,473.9
2. Regional and Economic Development	441,597.1	(284,962.4)	726,559.5	636,992.9
3. Research, Science and Technology	238,255.8	(764.6)	239,020.4	240,230.0
4. Promotion and Development of Tourism	126,595.2	15,381.2	111,214.0	143,946.1
Total	848,117.7	(273,461.2)	1,121,578.9	1,064,642.9
Staff level (FTEs) (excluding special funds)	1,222	(17)	1,239	—

Note: The " Regional and Economic Development" program includes provisions that allow transfers to other government programs for which the probable expenditure is increased by the same amount.

Program 1: Department Administration

The purpose of this program is to ensure the administration of the Department and the central services regarding public affairs and management support.

The 2003-2004 expenditure budget is $41.7 million compared to $44.8 million in 2002-2003. The $3.1-million reduction is mainly due to a decrease in the budget allocated to remuneration.

Program 2: Regional and Economic Development

This program's purpose is to offer technical and financial support to businesses and agencies for the purposes of industrial, commercial and cooperative development and market development for job creation. It also consists of budgets allocated to support local and regional development. Finally, its purpose is to promote summer employment of students in the Québec public service.

This program breaks down into the following elements:	$M
– Provision to increase, with the approval of the Conseil du trésor, any appropriation for realizing projects to increase investments within the framework of the Private Investment and Job Creation Promotion Fund (FAIRE) program	97.8
– Local and Regional Development Support Measures	87.0
– Investissement Québec and its subsidiaries	71.5
– Financial Assistance for Businesses and Partnerships	63.7
– Specific Measures for Development of the Regions and RCM Resources	57.5
– Regional Development and Services to Businesses	24.5
– Development of Policies and Programs	13.9
– Market Development	10.9
– Development of Industrial Sectors	9.5
– Provision to increase, with the approval of the Conseil du trésor, any appropriation for carrying out job creation projects for students	5.2
– Provision to increase, with the approval of the Conseil du trésor, any appropriation for the carrying out of regional development plans	0.1

The program's 2003-2004 expenditure budget totals $441.6 million, which represents a decrease of $285.0 million from the 2002-2003 expenditure budget. This decrease essentially results from non-recurring financial assistance measures, the end of the "Connecting Families to the Internet" Program, the end of temporary measures at Investissement Québec and the reduction of certain support measures for local and regional development and the commitments under the FAIRE program. The appropriations for the FAIRE program's expenditures are completed with $127.0 million in appropriations as Loans, Investments and Advances, which could meet contingent needs while the review of the FAIRE program continues.

Program 3: Research, Science and Technology

The purpose of this program is to ensure the implementation and follow-up of the Québec Policy on Science and Innovation and to support research and training of researchers, innovation, liaison and transfer, promotion of careers in science and technology and the dissemination of knowledge, and of Québec's international influence in research and innovation.

This program breaks down into the following elements:	$M
– Fonds de la recherche en santé du Québec	70.1
– Support for Research and Innovation	64.1
– Fonds québécois de la recherche sur la société et la culture	43.1
– Fonds québécois de la recherche sur la nature et les technologies	35.5
– Coordination and Implementation	12.1
– Centre de recherche industrielle du Québec	12.0
– Conseil de la science et de la technologie	1.4

The program's 2003-2004 expenditure budget amounts to $238.3 million compared to $239.0 million in 2002-2003. This reduction of $0.7 million essentially represents the net effect of a decrease in the funding allocated to grant funds and the liaison and transfer centres, offset by an increase in the funding allocated to support genomics and the Centre de recherche industrielle du Québec, and to an additional appropriation for support to the college technology transfer centres.

To support the orientations resulting from the Québec Policy on Science and Innovation, a new appropriation of $70.0 million, which will be added to the appropriations totaling $464.3 million already allocated, will make it possible to continue the implementation of various projects under the Support for Infrastructure Financing – Recherche Québec Program.

Program 4: Promotion and Development of Tourism

This program promotes the tourism industry in Québec by guiding and coordinating government and private tourism initiatives, by stimulating and supporting the development of tourism offerings, by assuring the promotion of Québec and its tourism experiences as well as by operating and developing public facilities which are tourist attractions.

This program breaks down into the following elements:	$M
– Tourisme Québec	53.4
– Société du Palais des congrès de Montréal	33.4
– Régie des installations olympiques	25.6
– Société du Centre des congrès de Québec	14.2

The expenditure budget amounts to $126.6 million in 2003-2004 compared to $111.2 million in 2002-2003. The $15.4 million increase is mainly due to the additional appropriations allocated to Tourisme Québec, particularly to support major international events, and to the Régie des installations olympiques for the implementation of the capital works plan.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	11,509.3	7,104.8
Loans, Investments and Advances	140,110.2	32,248.7

The $4.4 million increase in the capital budget is mainly due to the "Business Startup Portal" project, for an amount of $3.1 million, and the modernization of management systems for $1.3 million.

The variance of $107.9 million in the budget for Loans, Investments and Advances is due to the addition of $127.0 million to the FAIRE program and a decrease of $18.4 million in the Local Investment Fund.

SPECIAL FUNDS

Regional Development Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	44,416.7	18,571.0
Expenditure	44,416.7	18,571.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Staff level (FTEs)	4	4

In 2002-2003, the Regional Development Fund (RDF) was only used to finance measures provided for in specific agreements and structuring projects with a regional scope. Beginning in 2003-2004, the Regional Development Fund will have a global expenditure budget. This will enable the Regional Development Councils (RDC) to intervene on the basis of the needs and priorities established within the regions. As such, they will be in a position to finance the interventions planned under specific agreements, structuring projects, studies or research work. They will also be able to fund operating expenditures or those related to their regional joint action mandate, consolidation expenditures within L'Association des régions du Québec (L'ARQ) and finally, regional economic diversification projects for the twelve regions concerned by the transfer of the Fonds de diversification économique des régions (FDER) of the Société de diversification économique des régions (SDER).

The forecast expenditures for 2003-2004 consist of the residual amounts of the initial RDF (1998-2002) which have not been disbursed or committed ($21.0 million), the new budget of $22.9 million allocated to the RDCs and the residual budget ($37.0 million) of the SDER.

Tourism Partnership Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	110,285.0	111,225.6
Expenditure	115,286.0	106,174.6
Surplus (deficit)	(5,001.0)	5,051.0
Investment	600.0	400.0
Staff level (FTEs)	364	363

The Tourism Partnership Fund was created on April 1, 1997 to strengthen the promotion and development of tourism in Québec.

The $9.1 million variance in the Fund's expenditures is primarily due to the carry-over in 2003-2004 of the expenditures related to the 2002-2003 commitments and an increase in the budget allocated for major international events.

The $5.0 million deficit forecast in 2003-2004 is the result of expenditures attributable to this fiscal year for which the budgets were allocated to the Fund in 2002-2003.

Allocations to this Fund in 2003-2004 are as follows:	**$M**
– Allocation to the Fund by Tourisme Québec	53.4
– Special accommodation tax	19.2
– Provision from the Conseil exécutif concerning promotional activities	18.6
– Lump sum from Québec sales tax	10.0
– Provision of the Ministère du Développement économique et régional (resource regions)	5.0
– Revenue carry-over	2.2
– Partnership and commercialization of products and services	1.9

ÉDUCATION

BUDGET PLAN

The 2003-2004 expenditure budget of the Ministère de l'Éducation increases by $290.3 million, up 2.6% compared to the previous year's expenditure budget, and by $397.5 million, or 3.6% more than the 2002-2003 probable expenditure. This budget increase is primarily due to the impact of the rising costs of the collective agreements and other growth factors.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Administration and Consulting	121,707.4	3,103.1	118,604.3	116,035.2
2. Tourism and Hotel Industry Training	17,069.2	(363.6)	17,432.8	15,409.8
3. Financial Assistance for Education	354,350.9	(1,071.4)	355,422.3	279,620.0
4. Pre-school, Primary and Secondary Education	6,866,598.1	146,614.3	6,719,983.8	6,743,718.0
5. Higher Education	3,478,069.8	106,299.4	3,371,770.4	3,321,232.8
6. Retirement Plans	647,495.0	35,694.3	611,800.7	611,800.7
Total	11,485,290.4	290,276.1	11,195,014.3	11,087,816.5
Staff level (FTEs) (excluding special funds)	1,445	—	1,445	—

Program 1: Administration and Consulting

The objective of this program is to administer all programs of the Department, except for Financial Assistance for education. It also supports the activities of the education networks by providing the services necessary to carry out their mandates. This program also assures the operation of consulting and evaluation agencies in the domain.

The 2003-2004 expenditure budget is increased by $3.1 million, or 2.6% over 2002-2003, mainly to cover staff remuneration costs and the growth of expenditures attributable to the use of government information services.

Program 2: Tourism and Hotel Industry Training

The purpose of this program is to offer vocational and technical training in the hotel, restaurant and tourism industry. The program also endeavours to conduct research, produce information and provide technical assistance and services in these fields.

The $0.4 million decrease in the 2003-2004 expenditure budget compared with that of 2002-2003 is attributable to a combination of the increase in costs of staff remuneration and adjustments for non-recurring expenditures.

Program 3: Financial Assistance for Education

The purpose of this program is to promote access to full- or part-time secondary studies in professional training and post-secondary education. It provides financial support to individuals with insufficient financial resources.

The 2003-2004 budget is lower than that of the preceding year by $1.1 million. However, significant variances must be mentioned, including an increase of $17.8 million in expenditures for bursaries and of $14.4 million for interest paid to the banks, combined with a downward adjustment in provisions for bad debts.

Program 4: Pre-school, Primary and Secondary Education

The purpose of this program is to offer educational services to young or adult students at these levels, by providing school boards, subsidized private institutions and various agencies with the financial resources necessary for their operation and development. This program also includes subsidies for school transportation.

The increase in expenditures for this program is $146.6 million, or 2.2% over the previous year's expenditure budget. This increase is due in part to an addition of $274.7 million to fund the rising costs resulting from the collective agreements and other growth factors and, on the other hand, a change in the conditions of disbursement for funding of school transportation. This change is inconsequential for the level of the grant allocated for this purpose for the 2003-2004 school year.

Program 5: Higher Education

The purpose of this program is to offer college and university students access to educational services by providing institutions with the financial resources necessary for their operation and development.

The increase in the expenditure budget for this program is $106.3 million, or 3.2% over the previous year's expenditure budget. This addition will primarily make it possible to fund the rising costs resulting from the collective agreements and other growth factors.

Program 6: Retirement Plans

This program is composed of the Québec Teachers Pension Plan (TPP) and the Québec Government and Public Employees Retirement Plan (RREGOP) applicable to the education networks.

The $35.7 million increase in the expenditure budget primarily results from the salary increases granted upon extension of the collective agreements.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	34,701.8	32,997.8
Loans, Investments and Advances	163,000.0	163,000.0

The $1.7 million increase in fixed assets is mainly attributable to the continuity and implementation of information systems undertaken by the Department.

EMPLOI, SOLIDARITÉ SOCIALE ET FAMILLE

BUDGET PLAN

The 2003-2004 budget of the Emploi, Solidarité sociale et Famille portfolio amounts to $5,845.5 million, down by $132.9 million from the 2002-2003 expenditure budget.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Employment Assistance Measures	935,266.8	(27,069.5)	962,336.3	970,614.5
2. Financial Assistance Measures	2,738,470.2	(209,050.9)	2,947,521.1	2,980,049.5
3. Management Support	232,126.4	(164.7)	232,291.1	199,793.6
4. Assistance Measures for Families and Children	1,939,650.8	103,359.2	1,836,291.6	1,801,442.5
Total	5,845,514.2	(132,925.9)	5,978,440.1	5,951,900.1
Staff level (FTEs) (excluding special funds)	4,251	—	4,251	—

Note: The "Employment Assistance Measures" and "Financial Assistance Measures" programs include provisions that allow transfers to other government programs for which the probable expenditure is increased accordingly.

Program 1: Employment Assistance Measures

This program funds Emploi-Québec and the Commission des partenaires du marché du travail (CPMT). It also aims to develop labour and employment policies.

The expenditure budget for this program decreases from $962.3 million to $935.3 million in 2003-2004, down $27.1 million compared to the previous fiscal year. This difference stems partly from the forecast reduction of Emploi-Québec administrative expenditures by $7.8 million, along with an increase of $0.8 million of these same expenditures related to the Canada-Québec Labour Market Agreement.

Program 2: Financial Assistance Measures

The purpose of this program is to provide financial support by way of the income security network and the City of Montréal network to any citizen who applies and demonstrates a need for such support. More specifically, the program enables individuals to receive last resort assistance equal to the difference between their resources and their identified essential needs. The program also provides low-income individuals with dependent children with a supplement based on their employment income to encourage them to remain or enter the labour market.

In addition, the Action emploi measure, instituted in 2001-2002, is intended to promote sustainable integration of long-term employment assistance recipients into the workforce by offering them temporary employment income supplements.

Furthermore, this program provides the Cree Hunters and Trappers income Security Board with the amounts required to support the traditional activities of members of that community. It also aims to pay down the Fonds québécois d'initiatives sociales in appropriations. Lastly, it develops income security policies.

The expenditure budget for this program decreases from $2,947.5 million to $2,738.5 million in 2003-2004, down by $209.0 million. This decrease stems primarily from an expected drop in employment assistance clientele of 25,500 households compared to the previous year. The Department will also increase its job-integration efforts for people who are fit for work and to help ensure equity for low-income workers. A $7.2 million reduction of administrative expenditures is also forecast. Moreover, the increase in appropriations to the Cree Hunters and Trappers Income Security Board is a result of legislative amendments to the program.

Program 3: Management Support

The purpose of this program is to plan, administer and coordinate human, financial, material and information resources essential to program management.

There is little variance in the expenditure budget for this program, which decreases slightly from $232.3 million to $232.1 million in 2003-2004. This stability is explained by the $4.2 million of forecast reductions in administrative expenditures, offset by an increase in rental costs and employer contributions. The asset lapsing efforts made by the Department in 2002-2003 contributed to the increase in the appropriation carry-over in 2003-2004.

Program 4: Family and Child Services

The purpose of this program is to develop and promote access to quality educational childcare services. It thus funds the management of family and child services. It also seeks to ensure the development of family policies and financial support for early childcare centres and other childcare services. In addition, its purpose is to provide for funding of the debt service of the early childcare centres and the pension plan for employees working in the field of childcare services. The program also helps fund community organizations providing various assistance to families. It also provides funding of family benefits and maternity allowances, and ensures the operation of the Conseil de la famille et de l'enfance.

The expenditure budget for this program increases from $1,836.3 million to $1,939.7 million in 2003-2004, up $103.4 million. This increase is stems mainly from the expanded accommodation capacity of the educational childcare network by developing new places in early childcare and daycare centres and annualization of the development of such places. The increase also allows the continuation of the adjustments to employee remuneration, compensation for individuals providing home daycare services, and the establishment of a pension plan for employees working in the field of childcare services.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	8,225.9	6,158.1
Loans, Investments and Advances	952.0	826.0

The capital budget, which is up $2.2 million, will mainly serve to develop and upgrade computer systems to support the elements of the family policy and the development of a document management system.

SPECIAL FUNDS

In 2003-2004, the Department will make use of four Special Funds with a total staff level of 2,697 FTEs. This number includes 78 FTEs of the Fonds national de formation de la main-d'oeuvre (Trust Fund).

Assistance Fund for Independent Community Action

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	36,001.4	48,524.1
Expenditure	48,580.6	28,158.0
Surplus (deficit)	(12,579.2)	20,366.1
Investment	15.0	10.0
Staff level (FTEs)	25	25

The revenues account for the effects of the restructuring between government departments and agencies in view of the Government Policy on Recognition and Support of Community Action by providing financial support to the Department's overall mission.

Labour Market Development Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	979,060.3	1,016,577.0
Expenditure	970,694.7	1,001,311.0
Surplus (deficit)	8,365.6	15,266.0
Investment	52.5	5.0
Staff level (FTEs)	2,584 [1]	2,584 [1]

[1] Does not include the 268 people loaned by the City of Montréal.

This Fund, established on January 1, 1998, aims to finance the implementation and management of measures and programs related to public employment services. The changes in revenues and expenditures take into account the use of accumulated surplus and transfers made during the year from program 2, "Financial Assistance Measures" related to Vocational Integration Contract.

Fonds québécois d'initiatives sociales [1]

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	47,782.0	—
Expenditure	47,782.0	—
Surplus (deficit)	0.0	—
Investment	—	—
Staff level (FTEs)	10	—

[1] This Fund is set up under *Act 112* to combat poverty and social exclusion, adopted on December 13, 2002. It acquires the rights and assumes the obligations of the Fund to Combat Poverty Through Reintegration into the Labour Market .

Fonds des technologies de l'information du ministère de la Solidarité sociale (FTI)

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	45,200.0	39,242.0
Expenditure	45,200.0	39,242.0
Surplus (deficit)	0.0	0.0
Investment	40,000.0	40,000.0
Staff level (FTEs)	—	—

This Fund, which began operations on April 1, 1996, finances the Department's information technology needs. Planned investments total $40.0 million in 2003-2004, which is the same level as in 2002-2003. Investments in 2003-2004 will mainly be on the development of systems required by Emploi-Québec to cover measures and services to individuals and businesses and on-line placement services. Investments are also planned for Sécurité du revenu, as well as for the implementation of integrated human, financial and equipment resources management software package (GIRES) in the Department.

Investments are generally depreciated over a period of three to five years, depending on whether an equipment purchase or system development is involved. Depreciation and financial expenses, paid directly out of the Department's budgets, are estimated at $45.2 million in 2003-2004 compared to $39.3 million in 2002-2003.

ENVIRONNEMENT

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Environmental Protection	173,513.3	596.3	172,917.0	170,937.2
2. Bureau d'audiences publiques sur l'environnement	5,636.6	1,097.8	4,538.8	6,369.5
Total	179,149.9	1,694.1	177,455.8	177,306.7
Staff level (FTEs) (excluding special funds)	1,913	55	1,858	—

The Ministère de l'Environnement's expenditure budget for 2003-2004 totals $179.1 million, distributed between two programs: Environmental Protection and the Bureau d'audiences publiques sur l'environnement. The $1.7-million increase in the 2003-2004 expenditure budget, compared to the expenditure budget for 2002-2003, is essentially due to:

	$M
— Agricultural Operations Regulation	6.1
— National Program for the Development of a Private Network of Protected Areas	1.5
— Contaminated Land Rehabilitation Program	(7.1)
— The recurrence in 2003-2004 of the expenditure reduction target asked of the Department in 2002-2003	(2.9)
— The variation from carrying over expenditures voted in the expenditure budget	3.7
— Other variations	0.4

In another respect, the Department's envelope of regular staff was increased by 55 FTEs for the purposes of applying the Agricultural Operations Regulation.

Program 1: Environmental Protection

This program seeks to ensure, within a sustainable development perspective, the protection of the environment through the development and implementation of policies and programs for the prevention, reduction or elimination of water, soil and air contamination, the restoration of sites, and the protection of environments and resources.

The $0.6-million increase in this program's expenditure budget results from the two factors mentioned previously (an additional $1.7 million) and the additional appropriations required for program 2 ($1.1 million).

Program 2: Bureau d'audiences publiques sur l'environnement

This program aims to ensure that public consultation and information hearings are held as called for in the environmental impact review and assessment process for development projects, and that inquiries and consultation sessions are conducted on all matters related to the quality of the environment. The expenditure budget for this program increases by $1.1 million, to allow for funding of the costs inherent in holding public hearings on the sustainable development of pork production in Québec and for Bureau budget base adjustments.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	16,865.7	14,204.8
Loans, Investments and Advances	—	—

The Department's capital budget for 2003-2004 amounts to $16.9 million, i.e. $2.7 million more than the 2002-2003 expenditure budget. This increase is principally due to supplementary allocations for necessary repair work on public dams in compliance with the *Dam Safety Act* (R.S.Q., c. S-3.1.01).

FINANCES

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Department Administration	70,379.6	2,676.7	67,702.9	63,345.4
2. Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities	145,299.9	1,625.7	143,674.2	83,322.0
3. Debt Service and Interest on the Retirement Plans Account	6,862,000.0	326,000.0	6,536,000.0	6,536,000.0
Total	7,077,679.5	330,302.4	6,747,377.1	6,682,667.4
Staff level (FTEs) (excluding special funds)	1,100	—	1,100	—

Note : The "Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities" program includes a provision that allows transfers to other government programs for which the probable expenditure is increased accordingly.

The net increase of $330.3 million in the 2003-2004 total expenditure budget in relation to 2002-2003 is mainly due to an increase in the expenditures for debt service.

Program 1: Department Administration

The purpose of this program is to provide for the Department's administration and central services in planning, coordination, public affairs and management support. Its purpose is also the monitoring and control of financial institutions and the administration of a government register of sole proprietorships, partnerships and legal persons. Finally, it provides statistical information on Québec's situation.

The expenditure for this program is increased by $2.7-million, particularly due to the increase in the subsidy paid to the Institut de la statistique du Québec and indexing of expenditures.

Program 2: Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities

The purpose of this program is to ensure management of the Government's financial and accounting activities, development of fiscal and budget orientations and the production of economic analysis and institutional research.

Program 3: Debt Service and Interest on the Retirement Plans Account

The purpose of this program is to provide for payment of interest on the direct debt and the retirement plans account.

This program's expenditures, which total $6,862.0 million, are distributed as follows:	**$M**
– Direct Debt Service: this program element contains the appropriations required to assume the cost of government borrowing	4,177.0
– Interest on the Retirement Plans Account: this program element includes the appropriations required to assume the cost of interest on the government retirement plans account	2,685.0

The expenditures allocated to this program for 2003-2004 are $326.0 million greater than the 2002-2003 expenditures.

This increase is mainly explained by:	**$M**
– Direct Debt Service: increase in interest rates	289.0
– Interest on the Retirement Plans Account: primarily the increase in the average rate of return applicable to the Government's actuarial liability	37.0

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	10,786.9	8,067.6
Loans, Investments and Advances	5.0	5.0

The $2.7-million increase in the capital budget is mainly due to the project for implementation of the Integrated Resource Management System (GIRES) system and maintenance of the Department's assets.

SPECIAL FUNDS

Financing Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	351,292.8	294,607.2
Expenditure	335,289.9	267,787.2
Surplus (deficit)	16,002.9	26,820.0
Investment	6.0	6.0
Staff level (FTEs)	17	17

The Financing Fund, constituted by the *Act respecting the Ministère des Finances* (R.S.Q., c.M-24.1), is designed to provide financing and other financial services to agencies that are part of the government reporting entity, such as special funds and government corporations.

Horse-Racing Industry Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	14,890.0	14 279.0
Expenditure	14,890.0	14 279.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Staff level (FTEs)	—	—

The Fund is established pursuant to the *Act respecting the ministère de l'Agriculture, des Pêcheries et de l'Alimentation* (R.S.Q., c. M-14). Its purpose is to support the horse racing industry. It primarily consists of amounts paid by the Ministère du Revenu, representing the proceeds of the tax on pari-mutuel betting. These amounts are distributed among the Société du cheval de course and the racing permit holders covered by the *Act respecting racing* (R.S.Q., c. C-72.1).

Special Olympic Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	86,500.0	68 413,5
Expenditure	86,500.0	83 334,6
Surplus (deficit)	0.0	(14 921,1)
Investment	—	—
Staff level (FTEs)	—	—

The Special Olympic Fund was constituted in 1976 by the *Act to constitute a special Olympic fund* (1976, c. 14). The Fund and the revenue it derives from the special tax on tobacco are allocated exclusively to pay off the principal and interest on loans taken out by the Régie des installations olympiques and to complete the Olympic installations. The $14.9-million deficit in 2002-2003 results from the use of the accumulated surplus to accelerate debt repayment.

Fonds du centre financier de Montréal

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	1,930.9	1,934.4
Expenditure	2,000.0	1,581.4
Surplus (deficit)	(69.1)	353.0
Investment	—	—
Staff level (FTEs)	—	—

This Fund was instituted by the *Act respecting international financial centres* (R.S.Q., c. C-8.3). Its revenue goes to finance activities for the promotion and development of Montréal as an international financial hub.

JUSTICE

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Judicial Activity	69,272.4	1,657.4	67,615.0	68,523.3
2. Administration of Justice	299,601.0	15,810.6	283,790.4	285,976.7
3. Administrative Justice	10,471.6	875.8	9,595.8	9,507.2
4. Assistance to Persons Brought before the Courts	170,323.7	14,749.8	155,573.9	177,854.9
Total	549,668.7	33,093.6	516,575.1	541,862.1
Staff level (FTEs) (excluding special funds)	3,448	(17)	3,465	—

Program 1: Judicial Activity

The objective of this program is to deliver justice through the formulation of decisions in accordance with the jurisdictions of various courts of law. It ensures respect for rules of ethics which apply to the Bench, further training of judges, and provides the necessary administrative support. The program also seeks to evaluate the compensation, the retirement plans and other employee benefits of justices of the Court of Québec and the municipal courts, and formulate recommendations to the government.

The expenditure budget for this program is $69.3 million in 2003-2004, a $1.7 million increase over 2002-2003. This difference is attributable to the review of judges' salaries.

Program 2 : Administration of Justice

The purpose of this program is to ensure the necessary administrative support for the operation of the courts and the legal publicity of rights, provide legal, legislative and regulatory support for all government activities and enforce the Criminal Code and penal statutes in Québec.

The expenditure budget for this program amounts to $299.6 million, up $15.8 million over 2002-2003. This increase results, among other things, from the adjustment to indemnities and fees paid to jurors and witnesses, salary indexing, the reform of the Code of Civil Procedure, particularly regarding small claims, the increase in the rental, furniture and technology expenditure required following the work performed in certain courthouses, the operating costs of the Registry of Lobbyists, the depreciation expenditure pertaining to capital expenditure projects, and finally the transfer of positions and appropriations to assure the function of legal advisor to government departments that have a growing need for legal services.

The variance between the 2002-2003 expenditure budget and the probable expenditure is essentially explained by the financing during the year of the upward adjustment in fees paid to jurors and witnesses and the costs related to megatrials in the fight against organized crime.

Program 3: Administrative Justice

The purpose of this program is to provide the Ministère de la Justice's share of funding for the Tribunal administratif du Québec. This Tribunal's role is to rule on proceedings brought against decisions rendered by a government administrative authority or a decentralized authority in matters covered by the *Act respecting administrative justice* (R.S.Q., c. J-3). This program also includes the Conseil de la justice administrative, the ethics body overseeing the members of the various administrative tribunals.

The Department's contribution to the funding of this program is $10.5 million in 2003-2004, an increase of $0.9 million over 2002-2003. This difference mainly results from the rise in the Department's contribution to cover the increase in remuneration of the members and other personnel of the Tribunal administratif du Québec.

Program 4: Assistance to Persons Brought before the Courts

The purpose of this program is to provide legal, financial or social assistance to financially needy and disadvantaged persons, and to children and families experiencing social problems involving the justice system. It also pays financial compensation to crime victims. Assistance is given in the form of legal aid, class-action assistance and compensation to crime victims.

The expenditure budget for this program amounts to $170.3 million in 2003-2004, which represents an increase of $14.7 million over 2002-2003. This difference mainly results from the increase in the legal aid clientele, the impact on the costs of new billable services forecast for private practice lawyers representing legal aid recipients, and the increase in indemnities paid to crime victims due to the growth in the number of victims.

The variance between the 2002-2003 expenditure budget and the probable expenditure is mainly attributable to funding during the year of the payment of special fees to lawyers in trials related to organized crime, the application of a judgment concerning the legal aid fees payable when several children of the same family must be protected, the impact of the new tariff for private practice lawyers who receive legal aid mandates, and the effect of the growth of the volume of legal aid activities, particularly crime victims compensation.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	35,921.6	19,492.0
Loans, Investments and Advances	39.1	39.1

The 2003-2004 capital budget amounts to $36.0 million. This capital budget will mainly be allocated to the continuation of the Department's technological upgrade, the implementation of Phase 2 of the work required for the development of an Integrated Justice Information System (IJIS) and the development and implementation of certain applications provided for in the IJIS and required in the short term under the Public Sector Investment Acceleration Plan and, finally the continuation of the systems development projects at the Bureau des infractions et amendes.

SPECIAL FUNDS

Fonds d'aide aux victimes d'actes criminels

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	4,817.0	4,422.0
Expenditure	5,870.7	3,421.0
Surplus (deficit)	(1,053.7)	1,001.0
Investment	8.0	8.0
Staff level (FTEs)	5	5

The Fonds d'aide aux victimes d'actes criminels is primarily dedicated to subsidizing Crime Victims Assistance Centres. Its revenue comes from compensatory fines collected under the Criminal Code and penal contributions. The Fonds d'aide aux victimes d'actes criminels may also receive a portion of the funds resulting from confiscated proceeds of crime and a subsidy from the Department, particularly from the new penal fine surcharge. The $1.1 million deficit for the fiscal year is offset by the Fund's accumulated surplus, which will allow expansion of the network of Crime Victims Assistance Centres starting in 2003-2004.

Register Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	29,209.2	29,193.1
Expenditure	27,484.1	24,561.8
Surplus (deficit)	1,725.1	4,631.3
Investment	9,370.0	5,552.2
Staff level (FTEs)	123	111

The Register Fund finances all activities related to the publicity of personal and movable real rights, official registrations and the certification services of the Government Public Key Infrastructure (GPKI). The Fund's revenue comes from the fees charged for these services, and the Department's appropriation for the Registry of Lobbyists under program 2 "Administration of Justice".

In 2003-2004, the investments are greater than last year due to the «downsizing» of certain applications of the Register of Personal and Movable Real Rights.

The 2003-2004 revenue forecast takes into account that registration fee revenues from the Register of Personal and Movable Real Rights have reached cruising speed. The increase in expenditures is due to a general price increase, the completion of staffing of the Register of Personal and Movable Real Rights, depreciation of equipment and information technology developments, and the operation for a full year of the business lines added in the 2002-2003 year for the GPKI and the Registry of Lobbyists.

Similarly, the staff level increase is due to the addition of these two business lines, which are now integrated into the Register Fund.

RELATIONS AVEC LES CITOYENS ET IMMIGRATION

BUDGET PLAN

The Department's 2003-2004 expenditure budget amounts to $205.9 million, a decrease of $8.9 million compared to the 2002-2003 expenditure budget.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Citizen Relations and Management of Identity	22,608.0	(2,393.5)	25,001.5	46,289.7
2. Immigration, Integration and Regionalization	113,621.0	(5,836.0)	119,457.0	125,661.5
3. Advisory and Protection Organizations Reporting to the Minister	25,771.1	(559.6)	26,330.7	27,107.8
4. Public Curator	36,760.3	85.7	36,674.6	39,948.1
5. Status of Women	7,113.0	(150.0)	7,263.0	7,283.5
Total	205,873.4	(8,853.4)	214,726.8	246,290.6
Staff level (FTEs) (excluding special funds)	2,293	63	2,230	—

Program 1: Citizens Relations and Management of Identity

The purpose of this program is to ensure the promotion of fundamental rights and the exercise of civic responsibilities. It seeks to ensure the quality of relations between citizens and the Québec State and support everyone's full participation in the development of Québec society. Its purpose is also to ensure the integrity of citizens' identity and the promotion of access to information and protection of personal information.

The envelope for this program is decreased by $2.4 million in 2003-2004. This variance is essentially due to tighter staffing, a reduction of transfer expenditures and administrative reorganization.

Program 2: Immigration, Integration and Regionalization

The purpose of this program is to ensure the recruiting, selection and linguistic, cultural and economic integration of immigrants.

The expenditure budget for this program will decrease by $5.8 million in 2003-2004. This decrease is primarily explained by tighter staffing, a reduction of operating and transfer expenditures and an administrative reorganization.

Program 3: Advisory and Protection Organizations Reporting to the Minister

The purpose of this program is to enable citizens to appeal, when necessary, to organizations mandated to protect their rights, whether with regard to human rights and freedoms, equality of persons, protection of personal information or consumer rights. This program also has the purpose of enabling the Department to be informed on specific problems concerning intercultural relations, with a view to defining its orientations, identifying the major avenues of intervention and choosing the most appropriate measures to meet the needs expressed.

The envelope for this program is reduced by $0.6 million compared to 2002-2003. This variance is essentially due to streamlining of remuneration expenditures.

Program 4: Public Curator

The purpose of this program is to ensure the protection and representation in their rights and property of citizens declared incapable. It also seeks to deliver unclaimed property to the rightful claimants or the State.

The expenditure budget for this program remains stable compared to 2002-2003.

Program 5: Status of Women

This program aims to promote gender equality and respect for the rights and status of women. It also endeavours to ensure the coordination and development of government policies and activities related to the status of women.

The envelope for this program is reduced by $0.2 million in 2003-2004. This variance is essentially explained by a reduction in staffing and streamlining of operating expenditures.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	11,927.0	10,192.7
Loans, Investments and Advances	193.0	198.0

The capital budget is used mainly to upgrade computer equipment and develop information technology. The Public Curator has been allocated $1.8 million more to upgrade its technological infrastructure in the 2003-2004 fiscal year.

The Department manages two special funds: the Civil Status Fund and the Government Information Fund.

SPECIAL FUNDS

Civil Status Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	16,500.0	17,744.7
Expenditure	16,494.5	15,039.2
Surplus (deficit)	5.5	2,705.5
Investment	1,952.5	165.0
Staff level (FTEs)	180	135

The Civil Status Fund is used to finance goods and services related to the registration and delivery of documents pertaining to civil status or name changes. The Fund's performance is monitored using quantitative and qualitative objectives related to the services offered.

Following a decision by the Conseil du trésor, the Fund has obtained authorization to convert 46 casual positions into the same number of regular positions.

Government Information Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	45,142.0	59,447.0
Expenditure	45,142.0	59,447.0
Surplus (deficit)	0.0	0.0
Investment	1,175.0	1,730.0
Staff level (FTEs)	139	139

The Government Information Fund offers departments and agencies consulting expertise and services in the areas of advertising and media placement, exhibitions, audiovisual technical services, multilingual translation, publishing and distribution of government publications.

RELATIONS INTERNATIONALES

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. International Affairs	108,522.4	(465.2)	108,987.6	110,476.6
Total	108,522.4	(465.2)	108,987.6	110,476.6
Staff level (FTEs) (excluding special funds)	584	—	584	—

Program 1: International Affairs

The purpose of this program is to plan, organize and direct government action abroad as well as coordinate the international relations activities of Québec departments and agencies at home.

The Department has an expenditure budget of $108.5 million in 2003-2004. This budget considers the growth of costs generated, in particular, by indexing the salary scales of the Québec public service and staff recruited abroad, the Department's increased contribution resulting from reorganization and development of TV5 and various adjustments concerning the payroll of personnel in Québec, missions abroad, advocacy of issues that have an impact in the United States or elsewhere in the world, internships within international government organizations and hosting of distinguished visitors to Québec.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	1,035.0	1,035.0
Loans, Investments and Advances	600.0	600.0

In a world where information is exchanged all over the globe in real time, the Ministère des Relations internationales must stay on the cutting edge of new information and telecommunications technologies. This gives its offices at home and abroad the technological means to work in close cooperation and remain in constant contact through secure channels. To ensure the achievement of this objective established in the strategic plan, the 2003-2004 capital budget, as in 2002-2003, will be almost entirely allocated to information technology. Among the priorities, we should note the upgrade of part of the office automation inventory and certain network and telecommunications equipment. Improvements will also be made to the technological infrastructure to make information more readily accessible to those who need it for their work.

SPECIAL FUNDS

Fund for the Management of Quebec Immovables on Foreign Soil (FoGIQE)

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	10,182.6	10,322.7
Expenditure	10,182.6	10,322.7
Surplus (deficit)	0.0	0.0
Investment	2,510.0	1,839.3
Staff level (FTEs)	4	4

The Fund for the Management of Québec Immovables on Foreign Soil (FoGIQE) has a mandate to manage the property and services required by Québec representation abroad. It acquires and leases office space and official residences, implements renovation and capital spending projects and manages artwork, furniture and equipment.

To cover the needs resulting from the mandate entrusted to it, the FoGIQE will have an expenditure budget of $10.2 million in 2003-2004.

In the area of capital expenditures, appropriations of $2.5 million are forecast, particularly to finance relocation of the offices of Québec's General Delegation in Tokyo and Québec's Office in Buenos Aires, and renovation of the official residence and offices of Québec's General Delegation in Mexico and Québec's General Delegation in London.

RESSOURCES NATURELLES, FAUNE ET PARCS

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Land Inventory and Management	25,171.1	(778.3)	25,949.4	25,574.1
2. Parks, Wildlife and Forest Heritages	283,847.4	(5,614.8)	289,462.2	314,168.2
3. Energy Development	37,829.5	(7,494.6)	45,324.1	46,547.9
4. Mineral Resources Management and Development	34,597.8	(677.9)	35,275.7	41,567.2
5. Department Administration and Development of the Capitale-Nationale Region	81,253.3	(795.1)	82,048.4	78,794.4
Total	462,699.1	(15,360.7)	478,059.8	506,651.8
Staff level (FTEs) (excluding special funds)	2,510	(1)	2,511	—

The 2003-2004 expenditure budget of the Ministère des Ressources naturelles, de la Faune et des Parcs amounts to $462.7 million, a decrease of $15.4 million compared to the 2002-2003 expenditure budget.

Program 1: Land Inventory and Management

The purpose of this program is to produce geographic data. It also includes the functions of public domain land use planning, granting and management of land rights, and control of public lands.

The reduction of this program's expenditure budget is due to a restructuring of operating expenditures.

Program 2 : Parks, Wildlife and Forest Heritages

The purpose of this program is to foster and support the development, application and updating of the knowledge of the wildlife and forest environments and their resources, to plan, control and evaluate its use, and to monitor the actions taken to ensure their development.

In forestry, this program particularly aims to protect the forest against scourges of natural or human origin and improve the quantity and quality of its production capacity to meet the demand for wood fibre or accommodate other uses. Finally, it seeks to streamline and develop the wood processing industry and make forestry credit accessible to facilitate investment in the development and consolidation of private forests.

As for wildlife and parks, the purpose of this program is to ensure, within a perspective of sustainable and harmonious cultural, social, economic and regional development, the conservation and enhancement of wildlife, its habitat and parks.

The difference in the expenditure budget for this program is mainly due to the net effect of the adjustments of employer contributions to the Fonds forestier, the completion of capital expenditures in the parks by SÉPAQ, and streamlining of expenditures for the program as a whole.

Program 3: Energy Development

The purpose of this program is to define government actions and interventions in the energy sector, enforce legislation and regulations concerning this sector, and manage technical and financial assistance programs for the purpose of increasing Québec's energy productivity. It also contributes in part to the Fund Relating to the Ice Storm, which appears in the Conseil du trésor and Administration gouvernementale portfolio.

The difference in the expenditure budget is due to the redeployment of certain energy programs, additions for the debt service for the extension of the gas network, streamlining of the sector's expenditures and a reduction of the forecast contribution to the Fund Relating to the Ice Storm.

Program 4: Mineral Resources Management and Development

The purpose of this program is to establish geological knowledge of the territory, encourage exploration, promote development projects and infrastructure investments together with industry, and regulate certain mining practices. It also promotes mining, processing and use of minerals through applied research and by providing analytical and technical consulting services.

The difference in the expenditure budget for this program is due to streamlining of operating expenditures and additions for the payment of the debt service attributable to mineral exploration.

Program 5: Department Administration and Development of the Capitale-Nationale Region

The purpose of this program is to plan, manage and coordinate the human, physical and financial resources essential to the management of the Department's programs. It also includes several services of a corporate nature, related particularly to the operation and development of information technology and the use and maintenance of premises and office equipment.

The purpose of this program is also to support and promote the Capitale Nationale Region by reinforcing Québec City's role as Québec's national capital, contributing to the enhancement of its sites, monuments and events, empowering local and regional communities to take charge of their own development, and supporting the development and diversification of key economic activities.

The reduction of the expenditure budget for this program results primarily from the net effect of an increase in the subsidy to the Société des parcs de sciences naturelles du Québec, budget reductions resulting from streamlining of operation expenditures, and the revision of the allocation to the Fonds de développement économique de la région de la Capitale-Nationale, associated with the non-recurrence of a measure of the 2000-2001 Budget Speech.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	42,109.7	29,531.5
Loans, Investments and Advances	2,266.9	2,315.0

The 2003-2004 capital budget of the Ministère des Ressources naturelles, de la Faune et des Parcs amounts to $44.4 million, an increase of $12.5 million over the 2002-2003 capital budget.

The increase in the capital budget is mainly due to the implementation of the GIRES software package. Moreover, in the wildlife and parks programs, additional capital expenditures are forecast within the context of the implementation of the partnership agreement for economic and community development of Nunavik ratified with the Inuit. In this area, the Société de la faune et des parcs du Québec plans to go forth with development of the Pingualuit National Park.

SPECIAL FUNDS

Geographic Information Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	2,543.5	2,593.0
Expenditure	2,691.8	2,420.0
Surplus (deficit)	(148.3)	173.0
Investment	1,174.0	391.0
Staff level (FTEs)	30	30

This Fund covers the operations of the Photocartothèque québécoise, the map library that provides geographic information (cartographic, geodesic surveying, remote sensing and aerial photographic data) on request for a fee. It is also an essential tool for managing the financial transactions generated by the various specialized service mandates offered in these areas.

Land Information Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	89,671.0	97,762.0
Expenditure	81,488.8	(64,686.0)
Surplus (deficit)	8,182.2	33,076.0
Investment	44,670.2	43,517.6
Staff level (FTEs)	555	555

Under section 17.12.1 of the *Act respecting the ministère des Ressources naturelles* (R.S.Q., c. M-25.2), the Land Information Fund is dedicated to financing of surveying, cadastral and land registry activities and the resulting goods and services.

The surplus from the 2002-2003 fiscal year is primarily due to the Québec Cadastral Reform Program for which a large part of expenditures is capitalized and depreciated over a period of 40 years as well as the exceptional performance of the real estate market.

Real estate activities are expected to generate revenues that are $8.1 million lower in 2003-2004. The increase in expenditures is especially associated with the amortization of costs relative to the Reform of Publication of Rights.

Fonds forestier

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	251,561.3	248,704.4
Expenditure	253,417.0	252,994.2
Surplus (deficit)	(1,855.7)	(4,289.8)
Investment	8,580.0	7,734.8
Staff level (FTEs)	1,512	1,512

The Department, the beneficiaries of timber supply and forest management agreements, forest management agreements and auxiliary timber supply agreements help finance the Fonds forestier. The Fonds forestier assures the realization of activities related to production of seeds and seedlings for reforestation, preparation and updating of forest inventories, forestry research and development, and maintenance or improvement of the protection, development or processing of forest resources.

REVENU

BUDGET PLAN

The entire budget of the ministère du Revenu du Québec falls under the Tax Administration Program. The objective of this program is to collect taxes and administer social programs of a fiscal nature, as well as any other collection program assigned to it by the government.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Tax Administration	630,222.9	(28,663.5)	658,886.4	655,230.9
Total	630,222.9	(28,663.5)	658,886.4	655,230.9
Staff level (FTEs) (excluding special funds)	7,052	94	6,958	—

For the 2002-2003 fiscal year, the Department's probable expenditure amounts to $655.2 million, or $3.7 million less than the expenditure budget. This variance is due to the additional amounts obtained from the Ministère des Finances with a view to implementing the measures announced in the 2002-2003 Budget Speech delivered on November 1, 2001, counterbalanced by a reduction in expenditures thus meeting the objectives set by the government.

The expenditure budget for 2003-2004 is $630.2 million, or $28.7 million less than the comparative budget figure of $658.9 million in 2002-2003. The difference breaks down as follows:

	$M
— Salary indexing and costs related to operating expenditures	7.4
— Carry-over of voted appropriations	3.3
— Decrease in compensation to representatives	0.2
— Decrease in interest on refunds	1.8
— Decrease in the Provision for Bad Debt	(37.4)

In fiscal 2003-2004, the Department will have a full-time equivalent (FTE) staff of 8,488, including 7,052 for routine operations as indicated in the expenditure budget by program table. This includes the 1,477 FTEs in charge of managing the GST, 159 of whom are assigned to the Tax Collection Fund.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	4,138.5	4,208.2
Loans, Investments and Advances	15.0	16.9

In 2003-2004, the Department plans to purchase automobiles, audiovisual material, as well as equipment related to mail-processing and building security.

SPECIAL FUNDS

Tax Collection Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	75,540.9	79,258.0
Expenditure	77,776.7	75,472.4
Surplus (deficit)	(2,235.8)[1]	3,785.6
Investments	2,305.3	2,032.3
Staff level (FTEs)	753[2]	748[3]

1 In 2003-2004, the Centre de perception fiscale (CPF) is continuing its inventory control program, which combined with non-funding of the costs of growth, results in a forecast deficit of $2.2 million.

2 The Tax Collection Fund for 2003-2004 includes 119 FTEs financed by the Fonds des pensions alimentaires but it excludes 10 FTEs assigned to research and development activities for combating tax evasion, and 159 FTEs financed by GST Administration Accounts, for a total staff level of 922 FTEs.

3 The Tax Collection Fund for 2002-2003 includes 119 FTEs financed by the Fonds des pensions alimentaires and 10 FTEs assigned to research and development activities in the effort for combating tax evasion, but does not include the 159 FTEs financed by GST Administration Accounts, for a total staff level of 907 FTEs.

The purpose of the Tax Collection Fund is to finance efforts to collect unpaid income and other taxes, duties, and contributions to social programs payable to the Department, as well as support payments in arrears.

Fonds des pensions alimentaires

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	45,145.7[1]	43,171.2
Expenditure	45,145.7	43,171.2
Surplus (deficit)	0.0	0.0
Investments	1,833.3	1,792.6
Staff level (FTEs)	683[2]	683[3]

1 In 2003-2004, the Fund's revenues come from the Department ($43.2 million allocation) and charging administration fees ($1.9 million).

2 In 2003-2004, allocation of 683 FTEs from program 1, excluding the 119 FTEs for the CPF.

3 In 2002-2003, allocation of 683 FTEs from program 1, excluding the 119 FTEs for the CPF.

The purpose of the Fonds des pensions alimentaires is to finance services provided to clients benefiting from the Support Collection Program.

Information Technology Fund of the ministère du Revenu

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue[1]	36,153.3	34,048.2
Expenditure	36,153.3	34,048.2
Surplus (deficit)	0.0	0.0
Investments	89,161.5	43,917.6
Staff level (FTEs)[2]	—	—

1 In 2002-2003 and in 2003-2004, the revenues from equipment and information systems management and rental come from the Department and other payments received for GST administration.

2 The remuneration expenditure charged to the Information Technology Fund of the ministère du Revenu represents 270 FTEs in 2002-2003 and 2003-2004. These employees are included in the Department's total authorized staff.

The Information Technology Fund of the ministère du Revenu (ITF) enables the Department to finance existing and future computer system upgrades and development. The purpose of development is to increase organizational efficiency, primarily in order to improve the quality of public services and streamline procedures that facilitate electronic interaction with customers.

Investments of the Information Technology Fund of the ministère du Revenu

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Information systems development	62,593.0	24,977.8
Improvements and upgrades	26,568.5	18,939.8
TOTAL	89,161.5	43,917.6

SANTÉ ET SERVICES SOCIAUX

BUDGET PLAN

The expenditure budget for the 2003-2004 fiscal year is increased by $1.3 billion in relation to the 2002-2003 expenditure budget.

The budget increase for the 2003-2004 fiscal year ensures funding of the costs relating to salary adjustments stipulated in the agreements, the increased cost of goods and services, the increase in the prescription drug program and the amounts necessary to implement actions conceived to improve services to the public.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. National Operations	251,574.5	24,446.0	227,128.5	228,298.6
2. Regional Operations	13,921,588.8	899,998.0	13,021,590.8	13,032,254.8
3. Office des personnes handicapées du Québec	46,970.9	987.8	45,983.1	55,814.6
4. Régie de l'assurance maladie du Québec	4,894,933.9	383,605.7	4,511,328.2	4,511,328.2
Total	19,115,068.1	1,309,037.5	17,806,030.6	17,827,696.2
Staff level (FTEs) (excluding special funds)	1,016	10	1,006	—

Program 1: National Operations

The purpose of this program is to provide the Department and its advisory bodies with the resources and services necessary to establish, implement and monitor health and social services programs. It also enables the general public to voice its needs; it ensures province-wide coordination of the development and delivery of health and social services; and it funds province-wide projects. The expenditure budgets for 2002-2003 and 2003-2004 take into account the transfer of the Conseil des aînés and the Agence d'évaluation des technologies et des modes d'intervention en santé to the Department.

The expenditure budget for this program increases from $227.1 million to $251.6 million. This difference is mainly due to the growth of costs related to hospitalization insurance outside Québec and measures related to the West Nile virus and the anti-smoking campaign.

Program 2: Regional Operations

The purpose of this program is to ensure that the public benefits from services that promote attainment of the objectives defined in the Policy on Health and Well-Being with regard to social adaptation, physical health, public health, mental health and social integration.

This program is increased by $900.0 million. This growth is primarily due to the salary adjustments stipulated in the agreements for the network, the advancement in salary scales of the network's personnel, the increased cost of goods and services, and the $241.0 million in budget adjustments for waiting lists, home care and shelter, vulnerable clienteles, family medicine units, emergency rooms, the operation of new facilities, and other sustainable actions. It also includes additional costs for the debt service, the retirement plan and the blood-supply system.

Program 3: Office des personnes handicapées du Québec

The objective of this program is to ensure the rights of handicapped persons.

The budget for this program is increasing by $1.0 million. This growth is essential due to indexing of grants to sheltered workshop centers for the handicapped.

Program 4: Régie de l'assurance maladie du Québec

The purpose of this program is to defray the cost of insured services and administrative costs of the Health Insurance Plan, the Health Benefit Program and the Prescription Drug Insurance Plan.

The budget for this program is increased by $383.6 million. This increase is mainly due to agreements with health professionals and the forecast increase in the costs of prescription drugs and technical aides.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	1,477.6	1,167.4
Loans, Investments and Advances	—	—

The Department's capital expenditures in 2003-2004 will be directed mainly to renewing its computer inventory.

SPECIAL FUNDS

Prescription Drug Insurance Fund[1]

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	2,204,360.7	1,585,601.0
Expenditure	2,204,360.7	1,585,601.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Staff level (FTEs)	—	—

(1) Since July 2002, the Fund includes services to persons age 65 and older and to employment assistance recipients and their children. This change is taken into account for a nine-month period in the probable revenues and expenditures for the 2002-2003 fiscal year and for a twelve-month period in the forecasts for the 2003-2004 fiscal year.

The Prescription Drug Insurance Fund is instituted under the *Act respecting the Régie de l'assurance maladie du Québec* (R.S.Q., c. R-5). Its purpose is to cover the cost of prescription drugs, pharmaceutical services and administrative expenses pertaining to the coverage of any eligible person who is not required to join a group insurance contract or an employee benefit plan. Since July 2002, it includes services to persons age 65 and older, and to employment assistance recipients and their children.

The Fund primarily consists of an amount paid by the Minister of Finance to cover prescription drug expenditures and the administrative costs incurred for persons age 65 and older and for employment assistance recipients. It also includes premiums paid by individuals who, regardless of age, are not covered by group insurance or an employee benefit plan. The premiums are determined on the basis of income earned during the calendar year. The Act provides for a waiver of premiums for certain categories of persons, including children and employment assistance recipients.

The Fund is administered by the Régie de l'assurance maladie du Québec. The Fund's management, financing and operating procedures are set out in its constituting Act. Under this Act, the total amounts contributed to the Fund must, in the long term, allow for payment of its obligations.

The Act also stipulates that the annual premium and the contribution parameters (deductible, coinsurance and maximum annual contribution) are adjusted on July 1 of each year to allow for payment of the Fund's obligations.

SÉCURITÉ PUBLIQUE

BUDGET PLAN

The purpose of the budget plan submitted in 2003-2004 is to maintain and consolidate the activities essential to the performance of its mission. The expenditure budget allocated to the "Sécurité publique" portfolio in 2003-2004 amounts to $832.2 million, which represents an increase of $37.3 million, or 4.7% over the previous year. Moreover, the variance between the 2002-2003 probable expenditure and the 2002-2003 expenditure budget is mainly explained by the higher than forecast expenditures on correctional services and the Sûreté du Québec, by non-recurring transitional and implementation costs related to the police reorganization at the Sûreté du Québec and the financial assistance to disaster victims after the heavy rains of July 2002.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Security, Prevention and Internal Management	412,485.6	36,436.7	376,048.9	408,289.0
2. Sûreté du Québec	394,530.5	628.5	393,902.0	434,866.2
3. Organizations Reporting to the Minister	25,205.3	185.2	25,020.1	28,281.8
Total	832,221.4	37,250.4	794,971.0	871,437.0
Staff level (FTEs) (excluding special funds)	6,895	(88)	6,983	—

Program 1: Security, Prevention and Internal Management

The main activities associated with this program represent the Department's core functions: Services de soutien à la gestion (consisting primarily of the central budget envelopes allocated for employer contributions, rent, telecommunications and depreciation expenditure), Services correctionnels, Expertises judiciaires, Affaires policières et de sécurité-protection, Sécurité civile et la sécurité incendie and the Conseil de surveillance des activités de la Sûreté du Québec. The program's expenditure budget is $412.5 million, up $36.4 million from 2002-2003. This variation is mostly explained by the $25.5 million adjustment of the budgets related to correctional services, the $5.2 million increase in remuneration stipulated in the collective agreements, and the $5.1 million increase in Affaires Policières subsidies.

Program 2 : Sûreté du Québec

The Sûreté du Québec works throughout the province to maintain peace and public order, to preserve the life, safety and fundamental rights of individuals and to protect their property. The Sûreté du Québec also supports the organization of police services, coordinates major police operations, contributes to the integrity of government institutions, and ensure the safety of transportation and communication networks under Québec's jurisdiction.

The program expenditure budget is essentially the same as that for the previous fiscal year. The Sûreté du Québec's activities are partly financed by revenues from the basic policing fees charged to municipalities by the Sûreté du Québec, estimated at $215.5 million, and by revenues from the federal government, specifically $10.5 million for firearms control and $3.3 million for police service on the Jacques Cartier and Champlain Bridges. These revenues, respectively managed in a special fund and in a defined-purpose account for firearms control, bring the Sûreté du Québec's forecast expenditures to $623.8 million.

Program 3: Organizations Reporting to the Minister

This program includes five agencies, including the Régie des alcools, des courses et des jeux, which is responsible for administering the legislation and regulations relating to alcoholic beverage manufacturing and commercial licenses, offences in matters concerning alcoholic beverages, racing, bingos and raffles, gaming and amusement equipment, advertising contests, and for administering Chapter V of the *Act respecting safety in sports* (R.S.Q., c. S-3.1) pertaining to combat sports practiced by professionals; the Commission québécoise des libérations conditionnelles, which has the mandate to review cases of inmates eligible for parole and to grant or refuse parole; and the Coroner's Office, which is responsible for investigating deaths occurring in unexplained or violent circumstances. The program also includes the Police Ethics Commissioner, who processes complaints against police officers relating to their duties, and the Comité de déontologie policière, which as a specialized administrative tribunal, has the function of reviewing the Commissioner's decisions rejecting a complaint after investigation and to dispose of any citation deposited by the Commissioner. A $25.2 million budget is allocated to this program, comparable to that of the previous year.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	30,309.5	19,498.6
Loans, Investments and Advances	61.4	61.4

The Department's capital budget is $30.3 million. Of this amount, $20.6 million is allocated to the activities of the Sûreté du Québec and $9.7 million is used for systems development and the purchase of information technology and other equipment for other departmental operations.

At the Sûreté du Québec, the capital budget of $20.6 million breaks down as follows: $8.0 million to upgrade the automobile fleet assigned to investigations, highway patrol and special services, and $12.6 million for specialized equipment and information technology development.

SPECIAL FUNDS

Police Services Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	373,063.0	355,754.0
Expenditure	373,063.0	355,754.0
Surplus (deficit)	0.0	0.0
Investment	23,381.3	23,780.9
Staff level (FTEs)	2,814	2,814

The Police Services Fund is earmarked to fund the cost of goods and services furnished by the Sûreté du Québec to the municipalities and any agency other than a municipality, following an agreement made in accordance with the *Police Act* (S.Q. 2000, c. 12). This essentially concerns police service in the Regional County Municipality (RCM) based on the community policing model.

The adoption of the *Act respecting police organization* (S.Q. 2001, c. 19) has a major impact on Police Services Fund expenditures. Service to new municipal territories by the Sûreté du Québec involves incorporating municipal police staff from the abolished municipal forces into the Sûreté. Hence, it has more territory to cover and faces additional costs.

The expenditure budget for 2003-2004 amounts to $373.1 million, or $17.3 million more than the 2002-2003 probable expenditures. This variance is mainly explained by an increase in the expenditures related to the integrations of municipal police forces in 2002-2003.

Revenue sources are as follows: fees charged to municipalities under the Regulation respecting the amount payable by the municipalities for Sûreté du Québec services, in the forecast amount of $215.5 million; amounts received from the federal government for police service on the Jacques Cartier and Champlain Bridges, in the amount of $3.3 million; and an allocation from the Program 2 expenditure budget to balance the Fund, in the amount of $154.3 million. The capital budget forecast of $23.4 million takes the new police service into account and consists of $9.8 million to upgrade and purchase police vehicles for RCM stations, and $13.6 million for information technology hardware and development, as well as specialized equipment.

TRANSPORTS

BUDGET PLAN

The 2003-2004 budget plan takes into account the main objectives of the strategic plan and the resources available. Thus, in 2003-2004, the Department will pursue its major investments for the preservation, improvement and development of the road network by investing $929.8 million. Furthermore, in terms of operations, the resources allocated to winter use will be slightly higher, while maintenance operations will be reviewed in order to prioritize activities with the most impact on safety.

Regarding transfers, the Assistance for the Local Road Network, Assistance for Adapted Transportation and Assistance for Operation of Intermunicipal Public Transportation Authorities programs are maintained despite some changes in the budgets due to rescheduling of the payment schedules. The Assistance to Public Transit Fixed Assets Program will see its appropriations increase by $12.1 million to allow the public transit authorities and the Agence métropolitaine de transport to complete the investments in progress, primarily to renew the bus fleet, add commuter trains, renovate installed Métro equipment and extend the Métro to Laval.

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Transportation Infrastructures	1,064,068.9	28,646.7	1,035,422.2	1,048,540.9
2. Transportation Systems	339,781.8	41,163.2	298,618.6	284,730.7
3. Administration and Corporate Services	91,912.8	(3,234.4)	95,147.2	93,732.3
Total	1,495,763.5	66,575.5	1,429,188.0	1,427,003.9
Staff level (FTEs) (excluding special funds)	3,838	(27)	3,865	—

The Department's expenditure budget presented in the above table shows a $66.6 million increase from $1,429.2 million in 2002-2003 to $1,495.8 million in 2003-2004. This change is mainly attributable to the following factors:

— $110.0 million increase in the allocation for special funds, primarily to help finance the Road Network Preservation and Improvement Fund;

— $37.8 million reduction in forecast transfer expenditures, resulting mainly from changes to the subsidy payment schedule for the Assistance for Adapted Transportation for Handicapped Persons, Assistance for Operation of Intermunicipal Public Transportation Authorities, and Assistance for the Local Road System programs for 2003;

— $4.3 million reduction in forecast operating expenditures, which is explained by streamlining of overall administrative expenditures;

— $1.3 million reduction of forecast remuneration expenditures, resulting primarily from reassessment of the payroll for permanent and casual employees.

Program 1: Transportation Infrastructures

The purpose of this program is to improve, repair and maintain the land, marine and air transportation infrastructures.

This program consists of the following activities:	**$M**
– Contribution to financing the Road Network Preservation and Improvement Fund	522.8
– Maintenance of transportation infrastructures	386.5
– Depreciation of road infrastructures (before the creation of the Road Network Preservation and Improvement Fund) and other transportation infrastructures	103.6
– Financial Assistance for the Local Road System	50.7
– Other activities	0.5

The $28.6 million increase in the expenditure budget for 2003-2004 is essentially the net result of changes affecting certain activities.

The main change is in the Department's contribution to the Road Network Preservation and Improvement Fund, which increases by $113.0 million. The depreciation expense for other transportation infrastructures will increase by $10.0 million. Infrastructure maintenance is reduced by $13.6 million following streamlining measures in some operations. The Financial Assistance for the Local Road System Program is reduced by $79.4 million, primarily to account for changes to the subsidy payment schedule.

Program 2: Transportation Systems

The objective of this program is to formulate policies and regulations affecting transportation systems for persons and goods, to provide funding for agencies that offer transportation services and issue transportation or leasing permits for various modes of transportation, and to manage the Register of Owners and Operators of Heavy Vehicles.

This program consists of the following activities:	$M
– Assistance to acquire public transit fixed assets	180.4
– Assistance for the operation of certain public transit services	79.3
– Assistance to maritime transportation, including a contribution to the financing of the Société des traversiers du Québec	51.0
– Operation of the Commission des transports du Québec	12.8
– Assistance to air transportation	5.5
– Other activities	10.8

The $41.2 million increase in the 2003-2004 expenditure budget results mainly from variations in transfers. Initially, changes in the subsidy payment schedule regarding the Assistance for Adapted Transportation for Handicapped Persons and Assistance for Operation of Intermunicipal Public Transportation Authorities programs will increase by $40.4 million. Afterwards, assistance to acquire public transit fixed assets increases by $12.1 million following the investments made by the various partners, including the acquisition of new buses and extension of the Métro to Laval. Certain streamlining measures have also made it possible to reduce the budget allowance for other assistance programs by $10.5 million.

Program 3: Administration and Corporate Services

This program provides management support services for Department activities, and prepares passenger and cargo transportation plans. It also promotes expertise by supporting research and development activities.

This program consists of the following activities:	$M
– Planning, administration and coordination of human, physical, financial and information resources	63.3
– Development of departmental orientations and policies and interventions on research and development	18.3
– Depreciation of fixed assets other than transportation infrastructures	10.3

The $3.2 million reduction in the 2003-2004 expenditure budget results from a decrease in operating expenditures, primarily administrative expenditures and depreciation.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	49,713.0	39,316.1
Loans, Investments and Advances	200.0	200.0

The $49.9 million capital budget enables the Department to meet its needs in the following areas. work on maritime and air transportation infrastructures, information systems development, and purchases of material and equipment.

The $10.4 million increase over the previous fiscal year is intended to ensure the maintenance of the departmental systems and the addition of new capital expenditures in the air transportation sector.

SPECIAL FUNDS

Road Network Preservation and Improvement Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	525,450.5	408,109.5
Expenditure	525,450.5	408,109.5
Surplus (deficit)	0.0	0.0
Investment	821,783.2	1,281,436.9
Staff level (FTEs)	2,241	2,215

The Road Network Preservation and Improvement Fund is a capital fund that was established on April 1, 1996 to finance pavement and structure preservation activities, as well as highway improvement and development activities.

The total for all planned disbursements in 2003-2004 amounts to $929.8 million, or $460.4 million less than the previous year. This variance is primarily explained by the non-recurrence of the Public-sector Investment Acceleration Plan of $400.0 million in 2002-2003 and by the end of the Plan des régions, which represented total investments of $200.0 million, with $100.0 million in each 2001-2002 and 2002-2003. The Greater Montréal Area Transportation Management Plan's expenditure budget is increased by approximately $40.0 million.

These investments fall into two categories:

— $821.8 million in investments to increase service capacity that are capitalized and depreciated based on their useful life, i.e. between 10 and 30 years;

— An estimated $108.0 million in indirect costs that are treated as operating expenditures.

Fund expenditures, estimated at $525.5 million for 2003-2004, represent the costs of operating expenditures for the current year and debt service on fixed asset expenditures added since the Fund's creation. Most of these expenditures are covered by a $522.8 million contribution from the Department and by several partners including the federal government.

Rolling Stock Management Fund

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	67,277.0	65,438.4
Expenditure	67,277.0	65,782.0
Surplus (deficit)	0.0	(343.6)
Investment	20,000.0	23,429.0
Staff level (FTEs)	280	280

The Rolling Stock Management Fund was created on April 1, 1998 to finance activities of the Rolling Stock Management Centre. The primary objective of the Centre is to ensure integrated management of the Department's rolling stock. Among others, it provides services similar to various public agencies in Québec.

The Fund's $67.3 million budget for 2003-2004 is balanced and funded mainly by $50.3 million from the Department. Its $20.0 million capital budget will serve to upgrade the rolling stock of the Department and client agencies.

Fund for the Contribution of Motorists to Public Transit

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	63,803.8	62,823.0
Expenditure	63,803.8	62,823.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Staff level (FTEs)	—	—

The Fund for the Contribution of Motorists to Public Transit has been in operation since January 1, 1992. It aims to foster the development of urban public transit services. Its financing comes from a $30.00 fee charged to vehicle owners in urban areas throughout Québec when they renew their vehicle registration.

In 2003-2004, all the revenues from this Fund, estimated at $63.8 million, will be redistributed to public transit authorities.

Fund for the Sale of Goods and Services of Ministère des Transports

	FORECAST 2003-2004 ($000)	PROBABLE 2002-2003 ($000)
Revenue	4,607.0	7,000.0
Expenditure	4,597.6	7,005.0
Surplus (deficit)	9.4	(5.0)
Investment	40.0	1,426.0
Staff level (FTEs)	32	31

In fiscal year 2001-2002, the Department converted its Traffic Signalization Centre into an agency, in accordance with the new management framework established by the *Public Administration Act* (R.S.Q. c. A-6.01).

Effective April 1, 2001, the Department's Fund for the Sale of Goods and Services finances activities related to the goods and services provided by the Traffic Signalization Centre, notably the development and production of highway signs and information panels, and delivery of emergency signalization services to departments and public and private agencies.

The $4.6 million in revenues in the Fund's 2003-2004 results comes from the sale of signalization products and is expected to produce a modest surplus. The $2.4 million reduction compared to the previous fiscal year is essentially explained by the end of two major contracts, namely for installation of welcome terminals at Québec's points of entry and the sale of permanent variable message signs to the Department's various territorial divisions.

TRAVAIL

BUDGET PLAN

EXPENDITURE BUDGET BY PROGRAM

	2003-2004		2002-2003	
	EXPENDITURE BUDGET ($000) (1)	CHANGE ($000) (2)=(1)-(3)	EXPENDITURE BUDGET ($000) (3)	PROBABLE EXPENDITURE ($000) (4)
1. Labour	63,253.6	621.9	62,631.7	69,763.8
Total	63,253.6	621.9	62,631.7	69,763.8
Staff level (FTEs) (excluding special funds)	770	—	770	—

The Travail portfolio consists of a single program that aims to formulate, implement and coordinate the execution of policies and measures related to minimum working conditions, labour relations, pay equity, the quality of buildings, and the safety of users of public buildings and technical facilities. It also includes planning, directing and coordinating the human, physical, financial and information resources required to manage the portfolio.

The 2003-2004 expenditure budget is $63.3 million, up $0.6 million from 2002-2003. The increase is essentially explained by the financial impacts of the triennial review of the space rental rates payable to the Société immobilière du Québec and the contribution level required from the Department for the fund of the new Commission des relations du travail.

The 2002-2003 probable expenditure exceeds the expenditure budget by $7.2 million due to the amounts transferred from the provision of the Ministère des Finances to collect all revenue owed to the Government in combating black market labour in the construction industry.

CAPITAL BUDGET

	2003-2004 ($000)	2002-2003 ($000)
Fixed Assets	15,016.9	2,817.4
Loans, Investments and Advances	1.0	2.7

The variation between the 2003-2004 and 2002-2003 capital budgets is essentially attributable to the capital expenditures required for the project to modernize the systems and business processes of the Régie du bâtiment du Québec.

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